Daily Report

Latin America

FBIS-LAT-93-056
Thursday
25 March 1993

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FBIS-LAT-93-056 25 March 1993

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Serrano, Cristiani, Callejas News Conference

PA2403181993 Guatemala City Televisiete Television in Spanish 1800 GMT 23 Mar 93

[News conference by Salvadoran President Alfredo Cristiani, Honduran President Rafael Leonardo Callejas, and Guatemalan President Jorge Serrano with unidentified moderator and local and international reporters at the Presidential Palace in Guatemala City—live]

[Text] [Serrano] Thank you for waiting until we concluded the working meeting. Just as we announced in our last meeting at El Salvador, we will meet once a month and we will rotate the place of the meeting. We will hold one-day working meetings to follow up the integration process, particularly the integration of countries that form northern Central America.

I would like to state that Nicaraguan President Violeta Barrios de Chamorro called us this morning and told us Nicaragua had decided to join our swift integration process. We are pleased about this and we hope our Costa Rican brothers will soon solve their current problems so they may join us in this integration marathon.

We would like to clearly state that this does not substitute or underrate the integration efforts exerted within a Central American framework with all the countries in the region. It is simply that communication among our countries is so constant and our relations are so strong that we must find ways to speed up the process.

We also want to tell you we reviewed three essential issues in this meeting. The first one involves the elimination of various customs requirements so we may progressively abolish the borders between Guatemala, El Salvador, and Honduras. We believe it is quite advantageous to allow the free movement of persons among our countries, so we have agreed to reduce the number of procedures that are currently in effect.

We have also agreed to review everything concerning the Regional International Organization for Agricultural-Livestock Health, the organization in charge of fumigation at ports of entry. This will facilitate things and enable us to establish fumigation procedures in effect only at our ports of entry to the region.

The other issue is a provisional measure that will be implemented on 1 April. Citizens of El Salvador, Guatemala, and Honduras will be allowed to travel between these three countries without requiring any type of travel document. Our countries have pledged to receive persons from the two other countries who visit us carrying either a passport, a driver's license, or an identification card. We have eliminated a mandatory requisite at the border posts and we have facilitated the arrival of people from other countries. One of the three documents we mentioned will be enough to register the arrival of visitors in the country.

We have decided to eliminate the inspection of vehicles at the border posts effective 1 April. Also, effective that same date and for a period of 15 days, customs officials in each of our country will allow the duty-free introduction of merchandise for personal use. We will do it on a trial basis, to find out how the mechanism will work now that we will have a greater flow of Central American citizens in our three countries.

We have also set a deadline for 1 July 1993 for our customs departments to resolve the control problems to expedite the crossing of merchandise over our borders by establishing inspection procedures at the destination point. In so doing, we will be erasing borders. We have agreed that all migration and vehicle circulation charges will be eliminated as of 1 April. We have instructed our economy ministries to implement the points we outlined. We have also instructed the proper ministries to communicate the decisions we have made here to our sister countries Nicaragua, Costa Rica, and Panama.

A second commission, which dealt with the financial aspect of integration, was installed today and is made up of representatives from the central banks, private banks, and stock exchanges of the three countries. Its objective is to find a way to facilitate the free flow of capital within the region as one of the basic elements of economic integration. It will have the support of the Central American Monetary Council and will receive advice from the Central American Banking Federation. The main objectives for the first 60 days will be: First, make sure the payment mechanisms are fully operational, to eliminate all obstacles to the movement of capital. Second, recommend the establishment and continuity of a market exchange system. Given the fact that there is a totally free exchange system already in place between El Salvador and Honduras, Guatemala will have to make the adjustments needed to have a totally uniform system.

We also agreed to study a document—which the Central American Banking Federation presented to the Central American Monetary Council to promote the integration of financial institutions—and present a resolution thereon. With this we will be meeting a requirement that calls for Guatemalan banks to operate in Honduras and El Salvador, Honduran banks to operate in Guatemala and El Salvador, and Salvadoran banks in Honduras and Guatemala. This will allow us to have uniform banking and financial services. It will also allow stock exchanges to function as adequate vehicles for the transfer of funds and investments throughout the area. Lastly, [words indistinct] of the stock exchanges to reach this goal.

I would like to state that the third commission studied the main projects in the field of communications infrastructure, such as the northern highway between Honduras and Guatemala, a highway to connect Guatemala and El Salvador, and a highway between El Salvador and Honduras. There is a proposal to study three maritime projects, directed at improving port installations, port legislation, and training of port personnel in the three countries. We also made decisions on air travel policies,

requested a study on uniting our railroad networks, and discussed the issue of electricity and communications interconnection.

That was the product of this morning's meeting. The commissions have 60 days to present short-term integration projects for these priority infrastructure issues. That is the general information I can give you about this morning's meeting. We will now allow the media to ask a few questions of the presidents who are visiting us today. Thank you very much.

[Moderator] Alberto Antonioti of Global Communication Enterprise.

[Antonioti] Regarding the commission you appointed to regulate the traffic of capital in Central America [word indistinct] three countries. Have you established a deadline for the commission to submit a report?

[Serrano] Various studies have been conducted by the chamber ...[pauses] by the Central American Federation of Banks and the Monetary Council. We believe, and this was established, that in 60 days the commission can will be able to present us with a platform so the presidents can make decisions on the free movement of capital.

[Antonioti] What are the possibilities of Costa Rica and Panama joining this group? Are they closer to the group or are they still outside?

[Serrano] We are very pleased with the step taken by Nicaragua, of which we were informed by the Nicaraguan president. We have always kept Panama and Costa Rica informed of the steps we have taken, and we are very optimistic about their participation in the near future. Naturally, we know that there are internal problems in each country. We hope they will join us as soon as those problems are resolved.

[Moderator] Felix Colindres of PRENSA LIBRE.

[Colindres] Regarding your announcement about the participation of the Nicaraguan president, does this mean Nicaragua will participate in the next meeting?

[Serrano] That is correct. We also received from the Nicaraguan president a draft document that we had submitted already to the foreign ministries, and which we hope will be signed at the next meeting in Tegucigalpa on 22 April.

[Colindres] This question is for the Salvadoran president. The Salvadoran [word indistinct] is going through a very special period in view of the Truth Commission report [words indistinct].

[Cristiani] I think peace processes are similar in the sense that they seek the same objective: ending violence. The means, however, how and when, vary in each country. The origin, the intensity, and the actors can be different. Because of this, it is very difficult to recommend copying what was good in one country and transferring it to another country. I believe each country should analyze its own situation and decide the best way to reach the same objective, which is peace. Salvadoran society is currently going through a reconciliation phase, during which all sectors must leave behind a conflict, a phase full of violence and confrontation. It must begin a phase in which reconciliation can permit channeling the country's efforts toward creating more wellbeing for the people. I would not say that what is good for El Salvador necessarily is good for Guatemala.

[Moderator] Manfredo Castellanos from UPI.

[Castellanos] [words indistinct]

[Serrano] As I have said, Guatemala has very special characteristics and conditions. We have agreed to form a commission, the name of which has not been determined yet. The goal of this commission will be reconciliation and strengthening peace in the nation. In no way would the government favor a commission whose goal would be to deepen the differences that for more than 33 years have kept us in confrontation in this country.

You know my position very clearly. I have always been in favor of reconciliation. I do not hold this position only now that I am president. It goes way back and I will not change it now that I am president. I believe that revenge and vendettas are not conducive to national wellbeing. The principles of reconciliation, pardon, and understanding guide my life and should guide my government's participation at the negotiating table.

[Moderator] Jesica Garcia of CRONICA magazine.

[Garcia] [words indistinct]

[Serrano] No, I believe the political situation in each country is different. In Costa Rica, the president has clearly expressed to us his interests to remain part of Central American integration, the institutional integration that the nations are carrying out within the framework of the Central American integration treaty. Panama recently began integrating into Central America. Of course, it must meet certain legislative requirements that imply political decisions made by its own legislative assembly. We believe that both nations have made great steps in compliance and we feel truly flattered that they are now participating with us in the Central American integration process.

It is obvious that the very particular traits the three northern Central American countries share, the considerable trade that exists among us, our inhabitants' considerable mobility among our countries, and our proximity to the northern common market are imperatives that cannot be overlooked. I believe they should be stepped up in terms of integration, given the huge correlation that exists among our countries.

We are not sidelining anyone; on the contrary, we will always maintain our expectations. We are very pleased with Nicaragua's adherence to this process. I am sure, as the good brothers we have always been, that when Costa Rica and Panama can do so, they too will adhere.

[Unidentified reporter] [words indistinct]

[Moderator] President Callejas has said so.

[Callejas] The fact that we are stepping up the integration process does not mean that all the countries are integrating. Very fundamental agreements have already been reached such as free trade treaties, the Tegucigalpa agreements, and the [word indistinct], which are positive phases. We believe we are capable of accelerating and dealing more deeply with certain issues, some of which Nicaragua and Costa Rica are helping us consider. We expect that Panama will eventually join us. [words indistinct] monetary charges, but these are goals that we will eventually achieve together.

Politics, perhaps, is the area where most differences are noted. The three countries have decided to form commissions to analyze the political side of integration. Guatemala and Honduras have already fully formed such commissions. El Salvador will do so shortly and has already appointed one representative. The Costa Rican Government, representing the Costa Rican people, has informed us that for the time being it is not able to do so. This should not be viewed as a lack of rapprochement, which exists and is very strong. All we are doing now is putting the finishing touches on certain issues pertaining to immigration, customs, and the movement of capital, especially in the stock markets.

[Moderator] Jose Luis Castillejos of NOTIMEX.

[Castillejos] My question is for the Guatemalan president. Regarding the peace issue, without attempting to establish parallels with the Salvadoran case, the [words indistinct] fear in political circles over possible political vendettas. This situation is not very clear.

[Serrano] We have always maintained a very clear position regarding negotiations. We want negotiations to achieve peace; negotiations aimed at ending the internal armed conflict, an armed conflict which for more than 30 years has been a source of harassment for our people and I must say quite honestly, has left nothing good.

I am absolutely and totally convinced that a conflict of this nature need not be when Guatemala already has the mechanisms through which to attain power with total freedom, when Guatemalan society has expressed support for democracy, and when political pluralism is a reality. The guerrillas can come to Guatemala and politically promote their political program. It is my duty as president of all Guatemalans to keep my arms open, to extend my hand to them so they can rejoin Guatemalan society. There are substantive issues which, in fact, they have stated in various documents, and we are willing to discuss them. I have said that the government shares many of the concerns they have expressed. Some we do not share but we are willing to discuss them.

[Moderator] Mr. Vinicio Pacheco of Telenoticias.

[Unidentified reporter] [words indistinct] on two occasions. The first was when we filed a writ of unconstitutionality against the resolution whereby the president can travel whenever he wants. The second was an amparo against this election. We have confirmed that the legal system can function if it is set in motion in a timely manner and if it is used against the branches of state when they overstep or take advantage of their limits. For us this constitutes a victory and I hope the Guatemalan people will share it with us.

[Pacheco] President Serrano, according to an announcement made by the president of the Central American Parliament, Parlacen, the Parlacen will ask the Guatemalan Government to sit at the negotiating table with the Guatemala National Revolutionary Unity [URNG] immediately. Will this be done?

[Serrano] The Guatemalan Government has clearly stated that only the parties involved should participate in the negotiations. This was clearly agreed on in Oslo when we signed the Oslo Agreement and agreed to follow three steps. The first step called for the holding of a meeting between the rebels and the political parties. The second step called for talks between the rebels and the various groups that make up our society. We are now implementing Paragraph C of the Oslo Agreement. This paragraph calls for talks between the government and the URNG. There is only room for the government and the URNG at the table. We believe that all the support we can get is good, as is the interest expressed by Parlacen.

[Unidentified reporter] [words indistinct]

[Serrano] I do not believe we have reached a standstill. We held two weeks of meetings. Two weeks of talks can be extremely exhausting and the parties agreed to take an eight-day break to rest and think. The talks will resume on 26 March.

[Moderator] The last question will be asked by Freddy Lopez of Mexico City EL UNIVERSAL.

[Lopez] President Serrano, more on the meeting. Mr. President, within the general concept of economic globalization and the creation of economic blocs, are these three countries removing themselves from a (?general agreement)? They did sign an agreement for Central American integration. Do they want to give further thought to the North American Free Trade Agreement—the agreement between Mexico, the United States, and Canada?

Also, how are the negotiations between Mexico and Central America coming along?

[Serrano] We are strengthening our economies. We are doing this to confront the challenges of globalization. Our three countries have bravely accepted this challenge. This is clear in the reduction of tariffs and other aggressive policies we have implemented such as the elimination of subsidies and establishing more adequate taxes.

El Salvador, Honduras, and Guatemala have been pioneers in this field in Latin America. The economic stability of our three countries is the result of aggressive and correct policies the three governments have implemented.

Viewed from this angle, our unification also represents a normal expansion of our markets. Trade among us will increase and our dealings with enterprises established in any of our three countries will be much better. This will allow us to be more competitive in the northern and other markets.

But that is not all we plan to do; we plan to do much more. As a matter of fact, our countries have made commitments to the other Central American countries to consolidate the Central American bloc. We recently signed in Venezuela an agreement to create a free zone with Venezuela and Colombia. We are ready to negotiate the creation of a free zone with Mexico. This means that our three countries have confronted this historical challenge with great skill.

[Lopez] One last question, Mr. President. Would you compare Mexico's decision to establish tax restrictions for Central American products to the EC restrictions on banana exports?

[Serrano] Our countries, especially two of the three countries represented at this table, Honduras and Guatemala, which are banana producers and exporters, are struggling against this because we believe they are treating us unfairly. This decision affects thousands upon thousands of Central Americans who live by producing bananas. The decision also affects a great deal of our infrastructure. It is, above all, discriminatory. It violates agreements signed within the GATT framework. Guatemala is member of GATT and within the organization it will fight to ensure that the discriminatory decision is overruled and that we may have free access to the European markets.

Perhaps the president of Honduras wishes to add something to this.

[Callejas] We cannot compare the two situations. In the case of the EC and the banana, they have not only established taxes on the 2 million ton quota, but also established huge taxes on the import of Latin American bananas.

Regarding Mexico, even though this situation affects us and we do not share the idea of protectionism—although we must respect the idea—the situation is quite different. Europe has only three regions where bananas grow: Martinique, the Canary Islands, and Crete. Banana production in these places is not big and the production of bananas has no bearing whatsoever on the European economy. I would dare say that banana production is not even 1 percent of the European economy. I would say this is a political rather than an economic decision.

Even though Mexico has established restrictions that do affect us, it has not established import quotas. Mexico has offered to help compensate cattle exporters for their losses. This is why I say that even though none of the two decision are good—protectionism only leads to inefficiency—they are different.

[Moderator] We thank the journalists for attending this news conference.

Cuba

Protocols on Cooperation With SRV Signed

BK2503080493 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Mar 93

[Text] The signing of documents on economic and scientific- technological cooperation between our country and Cuba took place at a ceremony on 22 March in the capital city of Havana. Comrade Nguyen Cong Tan, member of the party Central Committee, minister of agriculture and food industry, and head of our government delegation to the 13th meeting of the Vietnam-Cuba Inter-Government Cooperation Committee, signed three documents, namely the protocol on the 13th meeting of the Inter-Government Economic and Scientific-Technological Cooperation Committee, the protocol on the 13th meeting of the Economic and Scientific-Technological Cooperation Subcommittee, and the protocol on the seventh meeting of the Economic and Trade Cooperation Subcommittee.

Roundup of Politburo Members' Activities 19 - 24 Mar

FL2503031693

[Editorial Report] The following is a compilation of fileworthy reports on the activities of members of the Politburo of the Central Committee of the Communist Party of Cuba carried on Havana radio and television in Spanish between 19 and 24 March.

Radio Rebelde at 1000 GMT on 19 March reports that Jorge Lezcano has toured the capital to inspect storm damage. Lezcano said he was very impressed by the revolutionary attitude of many people who live in very humble circumstances yet, despite the damages they have suffered, are very much aware of the nation's limitations.

Radio Reloj at 2030 GMT on 19 March reports that Pedro Ross is touring the Caujeri Valley in San Antonio del Sur Municipality, Guantanamo Province, to assess the tomato harvest. He also visited housing units under construction in the Isleta District.

Radio Rebelde at 1000 GMT on 20 March reports that Pedro Ross announced the celebration of International Workers Day, in solidarity with workers from around the world, on 1 May. He said that Cuba's Workers Day will be dedicated to the Moncada Barracks Attack. Ross and Esteban Lazo visited a zinc panel factory where workers pledged to produce enough to overcome the storm deficit.

Radio Rebelde at 1255 GMT on 20 March reports that Candido Palmero stated that hard work is planned for Havana Province agricultural farms to overcome the problems caused by the storm.

Tele Rebelde and Cuba Vision Networks at 0000 GMT on 21 March carry an interview with Esteban Lazo Hernandez, first secretary of the PCC in Santiago de Cuba Province, in which Lazo says he is confident that Santiago de Cuba will be selected to host the celebration of the 40th anniversary of the Moncada Barracks Attack.

Radio Rebelde at 1000 GMT on 22 March reports that Nelson Torres, at a Cienfuegos Province meeting on recycling, termed heroic the accomplishments of electric workers in restoring power throughout the province.

Radio Progreso at 1200 GMT on 22 March reports that Candido Palmero addressed a meeting of Havana Province miscellaneous crop farmers during which he pointed out the importance of cold storage in ensuring distribution of tubers and vegetables during coming months.

Radio Rebelde at 1800 GMT on 23 March reports that the Seventh Congress of Metallurgy and Electronics Workers is being held at the Madrid Camp and the construction equipment enterprise in Guira de Melena, Havana Province. The 256 delegates from all over Cuba harvest potatoes during the day and begin the congress meetings at 2000. Pedro Ross said this was one way of holding a congress during a special period, although it required extra effort, and that he considers such behavior exemplary. Ross added that some discussions were even being held in the fields.

Radio Rebelde at 1255 GMT on 24 March reports that Rizo Alvarez is participating in the sixth national course on the Turquino plan being held in Mayari Municipality. He says that in the current special period, the Turquino plan is a strategy for using all the productive defense capacity of the mountainous areas while maintaining the level of development. He adds that close ties among various government bodies must continue.

Radio Rebelde at 1000 GMT on 24 March reports that in Havana City Province, a brigade of engineers were awarded labor plaques for their efforts in restoring electricity. Carlos Lage, Pedro Ross, and Jorge Lezcana, together with other government, PCC, and labor movement leaders, presented these plaques during a ceremony held at the Basic Electricity Organization. Jorge Lezcana again expressed his admiration for the provincial leaders, residents, and these workers, who restored electricity service in record time. Candido Palmero also visited agricultural areas of Sonrisa de la Victoria camp where mobilized workers have harvested more than 100,000 quintals of tubers and vegetables. It was the first in the province to reach this important figure.

* Precarious Food Situation Reported

93CA0081A Santa Fe de Bogota EL TIEMPO in Spanish 1 Mar 93 p 8D

[Text] Cuba (EFE)—In Cuba, where years ago campaigns were launched to combat obesity and the sedentary way of life, there are hardly any fat people left.

The drastically reduced diet and the widespread use of bicycles keep the fat off. Whereas it was estimated in the mid-1980's that 30 percent of the population was obese,

and health officials warned that "a fat nation is not a healthy nation," as you walk down the street today it is extremely difficult to find anyone with a weight problem.

The attractive, eye-catching curves on most women and the rotund bellies sported by many men appear to have been melted away by vigorous pedaling or by the lack of calories.

Raul, a young 30-year-old mechanic, has lost 12 kilos in a year, dropping from 75 to 62 kilos. Every day he rides some 20 kilometers on his bicycle, even if it is raining cats and dogs, or the temperature is high enough to break the thermometer, as is typical in the Caribbean.

"Yesterday I really did not have any breakfast. I never eat any breakfast anymore, unless I manage to get a little coffee. For lunch I had a salad, and last night I had rice and beans with a bit of cracklings," says Raul, who would like to give up the bicycle and take the bus so that he does not turn into a bean pole.

But there are fewer and fewer buses; only 30 percent remain. It has been a couple of months since owners of private vehicles have received their gasoline rations, established according to 1990 use. Although Cuba does not resemble China, much less Holland, the bicycle has become the universal mode of transportation, allowing for relatively rapid movement from one place to another.

Mirta, a 28-year-old secretary, has lost six kilos in the last four months. For a variety of reasons, she was forced to rent out her downtown house and go to live on the outskirts of Havana. She does not have a bicycle, so she spends hours every day waiting for a *guagua* (bus). She walks an average of four to five kilometers a day.

No lunch is provided at her workplace, nor can she buy lunch anywhere nearby, so for breakfast she has a glass of *cerelac* [milk substitute made of powdered milk, wheat flour and soy flour] and a piece of bread. She goes for 10 to 12 hours without eating, and at night when she gets home she cooks up whatever is around. "Yesterday I had a little rice with a fried egg and a radish salad."

Chicken Feed

Food is "a national security problem" today, according to an expert at the Center for Studies of the Cuban Economy at the University of Havana. He said that in the past year, the vegetable harvest "attained unprecedented levels."

There are almost daily reports in the press about record harvests of potatoes or tomatoes in various provinces, but in fact they are hard to find on the market.

It is no secret that some of the food is diverted and ends up on the black market, while another unknown quantity ends up rotting in place for lack of transportation.

The ration book is the only legal instrument for making purchases in this country, but not even the most frugal citizen could live solely on what it provides, albeit at prices that were frozen 30 years ago.

The rest must be gotten by going out and scrounging.

Right now, for example, the ration book entitles a person to six pounds of rice, five pounds of sugar, one pound of black beans, another pound of oil, and a quarter pound of coffee per month, although according to one housewife, the first two products are the only ones that are not in short supply. The others tend to be distributed only when they are available.

Beef and chicken are given only to children under 13, who get approximately three-quarters of a pound every two weeks. Teens and adults must make do with ersatz meat products, such as soy patties, sausage paste, or a lunch meat of indeterminate origin, known as *fricandel* here. They also get some fish occasionally, and four eggs every 12 days.

Chicken, an extremely rare commodity, costs 100 pesos when it can be found on the black market; that is half the average monthly wage.

In January, it was also possible to buy yams, yucca, potatoes, oranges, tomatoes, and cabbage, but only once every 30 days, and only about two pounds per person.

Many people have opted to plant their own vegetable gardens in whatever space they have available, while others go out into the countryside to barter for food with the peasants, trading clothing for food.

The food shortage is beginning to cause a state of psychosis in the population, as people "invent" vitamins to make up for what they are missing.

One housewife in a downtown Havana neighborhood commented that she is giving her children citrus fruit juice with ground eggshells because a dietician told her that was a good way to get calcium.

Inter-Caribbean Affairs

Industrialist Warns Caricom Against NAFTA

FL2403214093 Bridgetown CANA in English 1907 GMT 24 Mar 93

[Text] Roseau, Dominica, March 24, CANA—Dominica's leading industrialist Phillip Nassief has again warned Caribbean countries about the dangers of embracing free trade with [passage omitted]. The chairman of Dominica Coconut Products Ltd (DCP), a leading Caribbean manufacturer of soaps, said while regional countries could give full support to free trade, they must ensure such trade was being conducted on fair terms.

Nassief made the comments over the weekend at the opening of an EC7 million dollar (one EC dollar = 37 cents U.S.) hand and body lotion manufacturing plant owned by DCP. He expressed concern about the adverse

consequences which the North American Free Trade Agreement (NAFTA) among the United States, Canada, and Mexico have for the region's current trade preferences in the United States as well as regional agriculture and industry.

Nassief said Caribbean participation in NAFTA would expose the region to the "full blast" of U.S. Government-subsidized exports. He described U.S. pressure on the Caribbean Community (Caricom) last year to lower protection for Guyanese rice in Jamaica as "the tip of the iceberg" of what is likely to come.

He also lamented the decision of Caricom to lower its Common External Tariff (CET) against third country imports in the face of external pressure mainly from the United States. Nassief said if his company had forseen a decrease in the CET, it would not have diversified into such a major project as hand and body lotion manufacturing. Nassief noted while developed countries were encouraging developing countries to adopt free trade, they were continuing to give massive subsidies to their producers, especially of agricultural products.

Caricom Leaders Issue Communique

FL2403183493 Bridgetown CANA in English 1805 GMT 24 Mar 93

[Text] Roseau, Dominica, March 24, CANA—Following is the text of a communique issued by Caribbean Community [Caricom] heads of government after their summit in Dominica:

"The fourth inter-sessional meeting of the conference of heads of government of the Caribbean Community was held at the Fort Young Hotel, Roseau, Commonwealth of Dominica, on 22-23 March 1993.

The heads of government in attendance at the meeting were Hon. Hubert Ingraham, prime minister, Commonwealth of the Bahamas; Rt. Hon. Erskine Sandiford, prime minister and minister of finance and economic affairs, Barbados; Rt. Hon. George Price, prime minister, Belize; Hon. Dame Eugenia Charles, prime minister, Commonwealth of Dominica; Rt. Hon. Nicholas Brathwaite, prime minister, Grenada; His Excellency Dr. Cheddi Jagan, president, Guyana; Hon. Reuben Meade, chief minister, Montserrat; Rt. Hon. Dr. Kennedy Simmonds, prime minister, St. Kitts and Nevis; Rt. Hon. John Compton, prime minister, St. Lucia; Rt. Hon. James F. Mitchell, prime minister, St. Vincent and the Grenadines.

The delegations of Antigua and Barbuda, Jamaica, and Trinidad and Tobago were respectively led by Hon. Lester Bird, minister of external affairs, planning, and trade; Sen. The Hon. David Coore, minister of foreign affairs and foreign trade; and Hon. Ralph Maraj, minister of foreign affairs.

International Environment

The meeting took note of the major developments on the international scene. Of particular significance to the heads of government was the fact that since their meeting in July 1992, Canada, Mexico, and the United States had signed the North American Free Trade Agreement (NAFTA) and the European single market had been established.

They noted with concern the thrust on the part of industrialised countries towards the creation of large trading blocs and that the insistence of some of these countries on accelerated trade liberalisation in respect of all developing countries has presented a number of developing countries, including those of Caricom, with major economic challenges.

The heads of government were also concerned that while the international community has reduced its focus on the debt problem, the debt burden remains a major constraint, especially for small countries.

Bananas

The heads of government reaffirmed the vital importance of the banana industry to a number of member states, particularly the Windward Islands, which are almost totally dependent on those countries. In this context, the heads of government discussed the European Community's decision regarding the common arrangements for the marketing of bananas in the European Community and the subsequent reaction of certain countries.

They welcomed the decision by the community, recognising that while it did not fully satisfy the guarantees enshrined in the Lome Convention, it was the compromise which will most effectively balance the legitimate interests of all the concerned parties.

They urged all concerned parties to accept the decision and agreed to fully support the European Community in its defence of the arrangements. In this context, they reaffirmed the sentiments expressed in their resolution of February 24, 1993, and expressed their determination to take all necessary action to protect the interest of the region in this vital industry.

The Creation of the Caricom Single Market and Economy

The heads of government noted that the revised Common External Tariff and the rules of origin would be introduced by June 30, 1993 and that all remaining barriers to intra-regional trade should also be removed by this date, thus contributing significantly to creating a single market.

They agreed that efforts to integrate the regional market for goods were proceeding according to schedule. However, they agreed that urgent action was needed in respect to the integration of services and that the introduction of the arrangements for the free movement of

labour and capital would have to be accelerated in order to achieve the objective of the establishment of the Caricom single market and economy. To this end, they agreed to cooperate fully in facilitating this process.

Steps Towards a Common Currency

The heads of government welcomed the establishment of the Council of Governors of the Central Banks of the Caribbean Community in keeping with the decision taken at the 13th meeting of the conference to adopt a staged approach to the creation of a monetary union.

Enlarging Investment

The heads of government noted with satisfaction that the negotiations towards the establishment of a Caribbean Investment Fund was at an advanced stage and agreed that member states would take all the necessary measures to facilitate the completion of the process of establishing the fund at the earliest possible date.

Debt—Problems Facing the Region

The conference expressed concern that in spite of recent initiatives, the external debt continues to be a heavy and a major constraint to growth in the economies of most of their member states. The conference called on the international community for appropriate measures. The conference also called upon the industrialised countries to encourage the international financial institutions to devise and implement measures for reducing the constraining effects of the debt burden.

Japan

The heads of government welcomed an initiative from the government of Japan for the holding in Jamaica later this year of a meeting between Japan and the countries of the English-speaking Caribbean to discuss possibilities for closer collaboration. The conference agreed that every effort would be made by member states to participate in the meeting.

South Africa

Following a report from the secretary-general of the Commonwealth on current developments in South Africa, the heads of government expressed their special satisfaction with the prospects for the multi-party talks and in particular the agreement by parties such as Paca and Azapo, (which had not previously been involved in the process) to participate in the negotiations. The heads of government took note of the success of the Commonwealth observer group in South Africa and of the participation of Caricom in the exercise through Senator Fred Mitchell of the Bahamas. The heads of government also recognised the importance of the presence of three other observer groups from the UN, the EEC, and the OAU, all concerned with the reduction of the level of violence in South Africa.

The heads of government agreed that in consultation with the Commonwealth, Caricom governments would be prepared to remove trade and investment sanctions against South Africa as soon as agreement is reached by the multi-party group, on the installation of the transitional arrangements toward the establishment of a non-racial democracy. The heads of government also agreed that the removal of financial sanctions could be considered once the constituent assembly was in place and the multi-party group called for the removal of all sanctions.

Hemispheric Relations

Relations With the United States of America

The conference endorsed the action taken by the bureau to sensitise the new U.S. Adminstration to the priority concerns of the region. They agreed to request the Caricom group of ambassadors to maintain the closest possible contact with the revelant United States officials in order to promote and defend the interests of the region. The heads of government reiterated their concern about the possible negative effect which the NAFTA arrangement will have on trade and investment in the Caricom region. In this regard, they called upon the signatory countries to that agreement to extend to Caricom products not included in the Caribbean Basin Initiative (CBI) and Cariban the same treatment accorded to these products originating from Mexico.

The conference noted the initiative within certain sectors of the United States Congress towards the introduction of the Caribbean Basin Free Trade Agreement Act of 1993 aimed at protecting Caribbean Basin countries from the effects of NAFTA. They expressed their desire to review more thoroughly the provisions of the bill, especially those which seem to drastically limit the life of the proposed legislation. The conference also agreed to present the U.S. authorities with a documented submission on the adverse effects of NAFTA on Caricom-U.S. trade and investment relations.

936 Funds

The heads of government expressed their support for the retention of the Puerto Rican 936 Loan Facility which provides a vital source of investment funds for Caricom states.

Relations With Canada

The heads of government also expressed their appreciation to the outgoing prime minister of Canada for the support and solidarity demonstrated to the community during his tenure in office as prime minister. They expressed the hope that his successor would demonstrate a similar commitment to the maintenance of the traditional "special" Caricom-Canada relationship.

Latin America

The heads of government noted with satisfaction that the one-way free trade arrangement with Venezuela was now in force. It was also noted that the fourth meeting of the

Caricom/Venezuela joint council on trade and investment is to be convened shortly. In keeping with their commitment to deepen the integration process, the heads of government agreed to explore opportunities for the establishment of closer relations with the countries of Latin America. In this context, they accepted a proposal from the government of Colombia to initiate negotiations towards the conclusion of a free trade agreement between Caricom and the Republic of Colombia which took account of the difference in the economic develoment of the respective countries.

Association of Caribbean States

The conference considered steps towards the establishment of an Association of Caribbean States (ACS), and, given the complexity of the issues involved, agreed that the matter needed further study at the national level before allowing for its consideration at the next meeting of the Standing Committee of Ministers of Foreign Affairs (SCMFA), scheduled for May 1993. The conference also agreed that the results of the deliberations of the SCMFA on this matter should be considered by the bureau, which would be mandated to make recommendations to the conference of heads of government in July 1993.

Central America

The conference welcomed the further concrete developments in Caricom-Central America relations and looked forward to the convening of the second Caricom-Central America ministerial meeting in late May 1993.

Cuba

The conference took note of the fact that, pursuant to the decision taken at its 13th meeting, attempts were being made to initiate at an early date concrete steps towards the establishment of a Caricom/Cuba joint commission to advance cooperation between the parties.

Haiti

The heads of government reaffirmed their condemnation of the continued suppression of the democratic process in Haiti. They reiterated their serious concern with the persistence of human rights abuses, political repression and the blatant disregard, by the Haitian regime, for the lives of Haitian citizens. The heads of government noted the continuing efforts of the joint UN/OAS civilian mission, towards the resolution of the Haitian political crisis. They agreed that the Caribbean Community would continue its financial and manpower support of the UN/OAS international civilian mission to Haiti.

The heads of government noted with profound regret the failure of the international community to observe the trade embargo imposed against the regime in Haiti. With a view to accelerating a solution to this problem, the heads of government called for the adoption of all necessary measures including the imposition of a blockade if required, and for the urgent consideration of the situation by the UN Security Council.

Belize-Guatemala Relations

The conference welcomed the positive developments in the relationship between the Governments of Belize and Guatemala. Heads of government noted the decision of the constitutional court of Guatemala on November 12, 1992, to uphold the action of President Serrano in recognising Belize as a sovereign state and establishing diplomatic relations. It was further noted that the Government of Guatemala was represented at the ministerial level at the meeting in Belize on February 19-21, 1993, to analyse and coordinate anti-drug activities in the region.

The Guatemalan claim to Belize remains unsolved despite these improved relations. They noted that Belize has a bi-partisan commission ready to pursue negotiations. The conference of heads of government expressed continued support for Belize in its endeavour to achieve a solution to the territorial claim. The prime minister of Belize thanked Caricom for its continuing support and requested this support until the claim is removed.

Guyana-Venezuela Relations

The conference noted with appreciation that the United Nations secretary-general has agreed to the continued appointment of Sir Alister McIntyre as his representative in the good offices procedure in connection with the Guyana-Venezuela territorial controversy. The conference also noted the initiative taken by President Jagan early in his tenure of office to visit Venezuela in March 1993, to demonstrate his government's commitment to continued cordial and productive relations between Guyana and Venezuela.

The Tourism Sector

The heads of government received a report on progress made since their 1992 tourism summit and expressed appreciation that the North American advertising campaign had been launched. They pledged their continued support for the regional [word indistinct] programme in 1994. The heads of government welcomed the implementation of the regional tourism programme funded under Lome III as agreed on by the Caribbean Tourism Organisation and the European Community. The heads of government also reiterated the need to market the Caribbean as a region having a diversified tourism product. With regard to the cruise lines, the heads of government focussed specifically on the issue of a unified per capita tax. On this matter the heads of government committed themselves to taking a final decision in the very near future.

The heads of government agreed that guaranteed air transportation was critical to the success of the regional tourism industry. They noted with concern the uncertainty facing some of the major international carriers servicing the region. In this regard, the heads of government were of the view that the question of viability of the

existing regional carriers must be accorded priority attention. They agreed to address the entire issue of air transportation at their 14th meeting.

The Environment

The heads of government deliberated on the subject of environment and development and gave full support to the United Nations global conference on sustainable development of small island developing countries scheduled for April 4-15, 1994, in Barbados. The conference was also supportive of a regional technical meeting for the Caribbean and Atlantic as part of the preparatory process for the UN global conference. The conference also urged member states to pursue actively the objective of seeking access to the resources available under the UNDP programme—Capacity 21—to assist governments to build the national and regional capacity to formulate and implement programmes of sustainable development.

New Institutional Structures of the Community

The heads of government reviewed the proposals for the establishment of new structures for the Caribbean Community. They noted the progress which has been made and agreed to complete the necessary national consultations by the next meeting of the conference in July.

The Assembly of Caribbean Community Parliamentarians

The conference welcomed the signing of the agreement for the establishment of the Assembly of Caribbean Community parliamentarians by the prime ministers of the Commonwealth of the Bahamas and of Grenada.

Twentieth Anniversary Celebrations of the Community

The heads of government decided to commemorate the 20th anniversary of the Caribbean Community, over the year beginning July 4, 1993, and endorsed a proposal for a series of activities, beginning with a "Regional Focus on Youth" on Caricom day.

Restructuring of the Caricom Secretariat

The heads of government received proposals for a strategic and restructuring plan for the Caricom secretariat and agreed, after a preliminary review, that the proposals should be considered by the inter-governmental committee within the context of the review of the new institutional structures of the community, to enable the conference to arrive at a definitive decision on this important issue at its regular meeting in July.

Caribbean Resources Development Foundation (Cardev)

The conference took note of the activities and projects which are being successfully developed by Cardev through the negotiation of financial and technical assistance and other forms of assistance, in North America, in support of social and economic development in the region. Heads of government endorsed the action plan of Cardev and welcomed the initiatives of that organisation as a useful complement to the region's development efforts.

Obituary

The conference expressed its recognition of the significant contribution made by the late Hon. G. Arthur Brown, the former governor of the Bank of Jamaica, to the Caribbean Integration Movement. The conference expressed its profound regret at his recent passing and conveyed its sincerest condolences to the bereaved family and agreed to transmit the following message:

"It is with profound sorrow that the inter-sessional meeting of the conference of heads of government at its fourth meeting, held in Roseau, Dominica, took note of the passing of the late Hon. G. Arthur Brown, former governor of the Bank of Jamaica. The meeting recorded its recognition of the tremendous contribution of that distinguished economist to the Caribbean Integration Movement and conveys its sincerest condolences to the bereaved family."

Date and Venue

The heads of government expresed their thanks to the government and people of the commonwealth of Dominica for the welcome and hospitality received during their stay in Dominica. They looked forward to their 14th meeting in the Commonwealth of the Bahamas on July 5-8, 1993."

Dominican Republic

* Budget of 22.7 Billion Pesos Approved

* Budget Breakdown

93CA0068A Santo Domingo EL SIGLO in Spanish 17 Dec 92 p 1

[Article by Arismendy Calderon]

[Text] The National Development Council yesterday passed without opposition the draft budget and public spending law for 1993, which totaled 22,717,548,185 Dominican pesos. The areas receiving the biggest allocations are health, education, energy, irrigation, agriculture, and fishing.

In contrast with what happened last year when the 1992 Budget was submitted, newsmen were not allowed into the session at which the National Development Council heard the 1993 Budget, a session presided over by President Joaquin Balaguer.

The session was addressed by National Budget Director Luis Reyes Bisono and Finance Secretary Licelot Marte de Barrios. Balaguer did not allow Jose Carlos Isaias, technical secretary of the Presidency, to read a prepared

speech that was later distributed to newsmen, this newspaper was told by a semi-official source at the National Palace.

The budget was defined as "austere," in keeping with the domestic savings policy outlined by Balaguer.

The budget which the National Council passed yesterday exceeded the 1992 Budget, which totaled 13,080,267,690 pesos, by more than 9 billion pesos.

Of the sum approved yesterday, 15,729,989,895 pesos were earmarked for the general fund, while 1,757,002,595 pesos went to special funds, and outside resources totaled 5,230,555,695 pesos.

The amount approved is broken down into 11,968.7 million for regular spending, or 52.6 percent of the total, and 748.8 million for capital spending or investments, comprising the remaining 47.4 percent.

The main areas of spending included in the proposed revenue budget and public spending law for 1993 are as follows: service on the public debt, 5.906 billion pesos; the domestic debt (including the administrative debt), 416 million pesos; and the foreign debt, 490 million pesos.

For operational expenditures, 6.617 billion; allocations for institutions and persons, 7.17 billion; institutions, 6.614 billion; individuals (including pensions), 306 million; and 250 million for the liquid petroleum gas subsidy.

Another 2.605 billion pesos were allocated for the construction, repair, and equipping of schools and health centers, as well as the construction of aqueducts and repair of highways and other projects. "Other expenditures" total 419 million pesos.

Among the contributions (regular and capital contributions combined), the most significant allocations go to the National Institute of Water Resources (INDRHI), 1.937 billion pesos; the Dominican Electricity Corporation (CDE), 1.867 billion; the National Institute of Drinking Water and Sewage (INAPA), 527 million; the Santo Domingo Aqueducts and Sewage System Corporation (CAASD), 404 million; City Councils, 366 million; the Agricultural Bank, 249 million; and the Dominican Agrarian Institute, 211 million.

Based on "Functional Classification," in addition to the "Public Debt," amounting to 5.561 billion pesos (not including the administrative debt), the sectors of the economy benefiting the most are: energy, 2.666 billion; education, 2.202 billion; general administration, 1.904 billion; agriculture and fishing, 1.793 billion; health, 1.672 billion; and irrigation, 1.555 billion.

The presentation noted that the 1.793 billion pesos for agriculture and fishing and the 1.555 billion for agricultural irrigation total 3.348 billion pesos.

In addition, the 1.672 billion earmarked for health and the 932 million for the sewage system and drinking water, which contribute to health, total 2.604 billion for "health-related issues."

The breakdown of the proposed revenue budget and public spending law for 1993 by chapter and type of fund is as follows: the National Congress, 65.3 million pesos; the Presidency, 1.045 billion, plus 295.4 million for special funds and 249.4 million in outside resources, making 1.59 billion; Interior and Police, 560 million, plus 444.2 million in special funds, making 1.005 billion; and the Office of Secretary of the Armed Forces, 1.371 billion pesos.

In addition: Foreign Relations, 114.3 million pesos; Finance, 5,843.9 million, plus 986.4 million for special funds and 1,451.7 billion in outside resources, for a total of 8.282 billion pesos; education, 2,1839.6 [sic] billion; plus 230.6 million in foreign resources, making a total of 2,503.3 billion pesos.

Sports receive 107.1 million pesos, plus 20 million in special funds, making a total of 127.1 million; labor, 30.6 million; agriculture, 1,351.7 billion, plus 2,338.7 billion in foreign resources, making a total of 3,690.4 billion pesos; public works, 616.4 million, plus 9.4 million in special funds and 622 million in foreign resources, totaling 1,247.8 billion pesos.

Commerce and Industry receive 72.8 million, plus 51 million in foreign resources, totaling 123.8 million; tourism, 56.5 million, plus 17 million in outside resources, totaling 73.5 million; the Office of Attorney General, 71 million; the Judicial Branch, 109.8 million, plus 1.4 million in special funds, totaling 111.2 million; the Central Electoral Board (JCE), 195 million; and the Auditing Office, 6.5 million.

Draft National Budget

Items	General Fund	Special Funds	Outside Resources	General Total
National Congress	65.3			65.3
Presidency	1,045.0	295.6	249.4	1,590.0
Interior and Police	560.8	444.2		1,005.0
Armed Forces	1,371.0			1,371.0
Foreign Relations	114.3			114.3
Finance	5,843.9	986.4	1,451.7	8,282.0

Draft National Budget (Continued)				
Education	1,839.6		270.1	2,109.7
Public Health	2,272.7		230.6	2,503.3
Sports	107.1	20.0		127.1
Labor	30.6			30.6
Agriculture	1,351.7		2,338.7	3,690.4
Public Works	616.4	9.4	622.0	1,247.8
Industry and Trade	72.8		51.0	123.8
Tourism	56.5		17.0	73.5
Office of Attorney General	71.0			71.0
Judicial Branch	109.8	1.4		111.2
Central Electoral Board	195.0			195.0
Auditing Office	6.5			6.5
Totals	15,730.0	1,757.0	5,230.5	22,717.5

* Revenues Underestimated

93CA0068B Santo Domingo EL CARIBE in Spanish 18 Dec 93 p 2

[Text] The Century 21 Foundation believes that the Central Government's draft budget for 1993, which has been passed by the National Development Council, underestimates the amount of domestic resources taken in by some 3.5 billion Dominican pesos.

The draft budget contains 17.487 billion pesos in internal resources, while Century 21 estimates that actual revenue will total some 21 billion.

"The amount passed is even smaller than the 1992 figure. In addition, the budget greatly overestimates the amount received in outside revenue, 5.231 billion pesos, when it is very likely that not even a tenth of that sum will be received," a report prepared by Century 21 states.

According to Century 21, the overestimation of domestic resources [is] for the purpose of generating surpluses that the Executive Branch will be able to use at its own discretion.

It states that in order to compensate, outside revenue is overestimated, which has no actual effect since projects are carried out as funds are received.

Century 21 states that outside revenue has steadily declined in recent years, "reaching an insignificant amount in 1992."

"In other words, if the National Congress passes the budget as submitted, the Executive Branch will have approximately 3.5 billion pesos at its disposal, equivalent to 20 percent of the budget approved with domestic sources," the report adds.

While Century 21 claims that the surplus is significantly smaller than the government's discretionary funding in recent years, "It is nevertheless an abnormality."

It explains that if the budget is not passed by Congress, the country runs the risk of going without any legal instrument this year.

Century 21 states that what is new about the 1993 draft budget is that it contemplates a relatively large sum earmarked for operating expenditures, "which could indicate a greater willingness on the part of the government to modify its policy of limiting regular spending and wages in order to improve public administration."

Some 6.617 billion pesos have been allocated for this item, it adds, a 62-percent increase over the estimated 4.094 billion pesos allocated for the purpose in 1992.

Haiti

Caputo Meets With Cedras, Bazin, Private Sector

FL2403163793 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 24 Mar 93

[Text] Dante Caputo met with General Raoul Cedras during the morning of 23 March. The talks at the Army General Headquarters lasted for four hours. Caputo was accompanied by two members of the general secretariat of the United Nations including Mrs. (Monique Lanca) from France and Mrs. (Frances Randel) from Spain. As usual, nothing has been disclosed about the nature of the talks.

Caputo also spent one and a half hours talking with Prime Minister Marc Bazin at his home. The former foreign affairs minister of Argentina also met yesterday with Father Aristide's presidential commission and with several officials from the private sector. On 24 and 25 March, he will meet with parliamentarians and political officials. He will travel to the provinces, notably to Les Cayes over the weekend.

He will leave Port-au-Prince for New York on 29 March. Before he departs, he plans to hold a news conference to evaluate his efforts. His task is to hold political discussions in order to establish a calendar and a procedure to

effect a negotiated solution to the Haitian crisis. This is Dante Caputo's fourth visit to Haiti. He came two days after U.S. special representative Lawrence Pezzullo left the country and one week after Bill Clinton promised to intensify the negotiations.

Army Press Release Confirms Meeting

FL2403165593 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 24 Mar 93

[Text] A press release issued by the secretariat of the Haitian Armed Forces [FADH] confirms the meeting of the FADH command and Mr. Dante Caputo on 23 March. The Army met on 19 March with Ambassador Lawrence Pezzullo who was accompanied by U.S. Charge d'Affaires Charles Redman and Major General Sheehan who was on an orientation mission. The FADH command says that during the meeting it reaffirmed its determination to seek and to find a true solution to the country's crisis together with the other sectors in the Haitian national life.

Civilian Observer Mission Travels Throughout Country

FL2403165693 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 24 Mar 93

[Text] The members of the civilian observer mission continue to travel to the country seats of the various geographic departments. Seven mission members went to Gonaives during the afternoon of 22 March within the scope of their work, which is to monitor whether human rights are being respected. Members of the mission have already gone to the Departments of the South, Southeast, Grand'Anse, North, and Center. At this time, those mission members are trying to meet with the local civilian and military authorities.

Dante Caputo, the international mediator in the Haitian crisis, who arrived in Port-au-Prince during the afternoon of 22 March, plans to visit the places where the mission members will work in the rest of the country. Mr. Caputo will make trips throughout the rest of the country if he has time. He has to meet with many people in Port-au-Prince in conjunction with the second step of his mission.

There are now nearly 100 OAS observers in Haiti. The United Nations has announced that it will send over 100 observers as well. A communique issued by the organization [OAS] advises that 18 new OAS observers will come this week too. Another group of five observers will arrive on 1 April. For its part, the United Nations will work to complete the mission with its own observers. The OAS says that it will deploy the civilian mission throughout the country, but that it is waiting for a radio communications network to be completely installed so the observers can feel close to one another and so they may communicate with the other observers who may feel isolated. An agreement signed between mediator Dante Caputo and the current authorities in Haiti has allowed the deployment of this civilian mission.

According to the OAS, the 12-member countries [number as heard] have contributed to the deployment of the civilian mission in Haiti through their members and money they have given. The United States has given $5 million; Canada has give $1.8 million; and Mexico has promised to give $50,000.

Senate Negotiations Fail; 'Hired Thugs' Present

FL2503030093 Port-au-Prince Radio Metropole in French 1700 GMT 24 Mar 93

[Text] A session was held on 23 March in the Senate of the Republic. This session was held by the senators of the Alliance, close to the government, without an agreement on the crisis within the institution. Senator Thomas Eddy Dupiton who was presiding over the session yesterday announced the failure of the negotiations aimed at resuming activities in the Senate between the two political blocs; Ansy Rose Resignac filed the following report:

[Begin Resignac recording] Negotiations, begun more than two weeks ago between the two political blocs in the Senate regarding the crisis in the Senate, have failed, according to Sen. Thomas Eddy Dupiton. The president of the office supported by the bloc close to the government indicated in a 23 March report the failure of the talks after having received representatives of this bloc for discussion.

[Begin recording] [Dupiton] I had said we would wait until Friday for the commission to bring results. The report indicates that we did not succeed. I am not saying that the negotiations are closed. Any time people meet to seek a peaceful solution to an agreement, we remain open.

[Resignac] However, Sen. Dupiton and his group seem to have decided to work with or without a solution to the crisis. The negotiations could not stop the course of history, says Eddy Dupiton, speaking at our microphone within the framework of a session held on 23 March by the senators of the Alliance for Parliamentary Cohesion. The president of the Alliance office, who had recognized an abnormal situation in the Upper Chamber, asserted on 22 March [as heard] that there was no crisis within that institution.

[Dupiton] As far as I am concerned, there is no crisis. We were here and I received a call from Sen. Clark Parent who told me how he wanted to work, not only by himself, but with all men of good will in the search of a favorable solution. We are waiting for such a solution. I do not want to implement it alone. I want to count on all the others to notice the good will almost everywhere.

[Resignac] Despite this willingness, the senators of the Alliance close to the executive power should take steps to answer the expectations of the Haitian people, as the

Artibonite legislator loves calling it. Several of the security agents have apparently been dismissed to the benefit of some new faces. In addition, the presence of about ten individuals, suspected to be undercover police, commonly called hired thugs, were noticed surrounding the session room. [end recording]

APN Sets 16 Apr Deadline for Aristide Return

FL2403173993 Port-au-Prince Radio Metropole in French 1145 GMT 24 Mar 93

[Text] The People's National Assembly [APN] criticizes the UN and OAS position in managing the Haitian crisis. In a press release, the APN considers as inefficient the action taken by those two organizations in the search for a solution to the crisis. It seeks to set 16 April as the deadline for the return of ousted President Aristide to Haiti. The APN is also calling on the formation of a government of democratic unity, including only the sectors which did not participate in the coup. It says that it is ready to launch a huge mobilization in case Father Aristide does not return to Haiti on 16 April. The APN points out that this popular mobilization could escort the ousted president to the National Palace. The APN is demanding justice and compensation for the victims of the 30 September 1991 coup.

Pro-Aristide Groups Issue Post-Crisis Proposal

FL2503012893 Port-au-Prince Radio Metropole in French 1145 GMT 24 Mar 93

[Italicised passages in Creole]

[Text] Political organizations such as the National Front for Change and Democracy [FNCD], the Movement for the Organization of the Country [MOP], and the Lavalas Political Organization, OPL, close to ousted President Jean-Bertrand Aristide are preparing for the post-crisis period and on 23 March presented to the press and to certain authorities a political and economic government program for the post-crisis period. The following is a report by Edner Jean:

[Begin recording] [Jean] The high staff of the Lavalas Movement intended, by this initiative, to ease, convince, and even reassure the other sociopolitical sectors of its willingness to negotiate a definitive solution to the crisis. To expedite this new departure, FNCD, MOP and OPL reissued a document January 1993, a document presented as a synthesis of the strong ideas necessary for the formulation of a government program of overtures and of national concord. This government, the composition of which remains to be defined, would have the mandate to reconcile the nation with itself, initiate a process for the country's reconstruction, and begin national development. This project would also cover the start of economic development in view of improvement in the living conditions of the majorities, and to initiate the country to a dynamic of growth and progress. These proposals from sectors close to the exiled president also offer the basis for an agreement with the lobbyists, particularly those with money, and the middle class.

[Unidentified speaker]*There are two necessities pressing right now. One is the necessity to emerge from the crisis. The document offers proposals for resolving the crisis. It tells which negotiations it will respect and the agreements that can be reached through negotiations. The text itself is an element of the negotiations because it shows to other sectors the viewpoints of political sectors supporting the new approach, as well as viewpoints on various questions, political and economic, and their ways of expressing their viewpoints in a country where there is generally little practice of political organizations providing a framework for their program, and offering those programs for discussion. As far as they offer this, the program becomes an important element in the negotiations with the other sectors. We are open to the sectors that feel that their interests coincide with the proposals put forward.*

[Jean] However, would this government of overture and concord have the means to [execute] its policy? This question, much discussed during the debate, was considered by the speakers in the perspective of a general development plan, with the emphasis on private and public investments, the reorganization of the state, and the resumption of external aid. Despite this willingness from the lavalas camp to open to the other political and economic sectors of the country, a certain difference was raised among the thinking heads of the movement regarding the choice and participation of certain authorities in this government of national unity. At this stage of the debate, Herve Denis, who was the moderator, specified that the government of overture and concord will be orchestrated on the basis of a social pact, referring to the 1987 Constitution and the assets of the 16 December and 20 January elections.

[Denis]*There is one clear thing under the overture and concord government: it has a social basis, in compliance with the 1987 Constitution and the assets of the December 1990 and January 1990 elections [as heard], that is clear. In other words, it is a dual text. It mentions in several points everything that occurred since September 1991, that is, the category of politicians who oppose change, since the text obviously calls for concord and for the coming together of people in favor of change, democracy, and a regime respecting rights and satisfying popular demands.*

[Jean] This document, For a New Departure, presented as a booklet, is prefaced by Father Jean-Bertrand Aristide, in which he wrote, quote: My responsibility as a legitimate president has led me, at many points in this critical period, to a deep reflection in search of the means for a better life for the people and the means to build this participation for all, unquote. I was quoting the exiled president. [end recording].

RDC Volel Disagrees With Cedras Statement

FL2503014593 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 24 Mar 93

[Text] Christian Democratic Assembly [RDC] leader Eddy Volel disagrees with a weekend statement by the Army command in which it claims not to politicize. Volel, who has cited a number of examples supporting his disagreement, thinks maneuvers are being conducted so the UN/OAS civilian mission will fail in its work in Haiti.

[Begin Volel recording] This week, the head of the Army, Raoul Cedras, said that the Army does not politicize, that the Army is the guardian of the Constitution and that it cooperates with all institutions in the country. We have noted since 30 September 1991 that there is a group of people who have the right to stage demonstrations throughout the country under the protection of the Army while there is another group of people who do not have the right to demonstrate and who are just intended to be beaten, to be shot, and to be arrested by the Army. We have also noted that it was a U.S. major who intervened to get Haitian colonels to respect the Constitution and the people's will. What a shame! The owl has left the woods so it can beat pigeons in their cages! We in the RDC do not label what Cedras has done as cooperation. First, when you have Senator Clark Parent arrested and have the Chamber overrun with Army civilian auxiliaries; second, when you take cars from two senators in office and pass them on to individuals who are night birds; third, when you give guns to nine bandits so they can point them at eight senators in session in the Parliament... [end recording]

Opposing Groups of Medical Students Fight Each Other

FL2503021993 Port-au-Prince Radio Metropole in French 1700 GMT 24 Mar 93

[Text] The first news in this broadcast is on the crisis within the State University of Haiti, especially the incident reported this morning in the Faculty of Medicine and Pharmacy where the double session had difficulty beginning.

Students from two groups—for and against the double session—were fighting this morning. Port-au-Prince Police reportedly intervened. It is still unknown whether there were any victims of the incident. Second-year students allegedly threw formol on their fellow students, those registered in the second session, according to doctors working at the State University General Hospital.

It should be noted that the deputies of the socialist bloc had requested the intervention of the ministers, members of PANPRA [Nationalistic and Progressive Revolutionary Party of Haiti], who are in the consensus government to end the crisis within the State University of Haiti. Calling the latest measures by Gerard Bissainthe direct provocation of the student youth and all youth, three legislators suggested presentation of the case this morning at the Ministers Council.

Lavaud Jean-Baptiste, Job Dornevil, and Ancelot Vernort recommend the withdrawal of Gerard Bissainthe's measures, his dismissal as head of the university, and the return of the former board of directors.

Jamaica

JLP: Ruling PNP Unable To Pass IMF Finance Test

FL2403231193 Bridgetown CANA in English 2041 GMT 24 Mar 93

[Text] Kingston, Jamaica, March 24, CANA—The opposition Jamaica Labour Party is charging that Jamaica is in danger of failing an International Monetary Fund (IMF) economic test because of the government's inability to reconcile fiscal data.

"The fiscal data is in serious trouble and failure of that test is going to mean significant hardships for Jamaicans," the JLP's spokesman on finance Bruce Golding said during the second of two nationally televised political debates, ahead of March 30 general elections.

Golding, leading a three-member JLP team in the debate, waited until the end of the 100-minute programme to raise the issue which was clearly meant to take the ruling People's National Party (PNP) team, led by finance minister Hugh Small, off guard. He charged that while the government had passed the IMF's Net International Reserves (NIR) and domestic assets test, data relevant to the December quarterly test "has not been sent to Washington because the government is having tremendous difficulty in reconciling the figures." Golding then invited Small to say in his closing statement that "this is not so." But Small declined the invitation.

"I am not going to allow Mr. Golding to dictate the terms of my closing statement on behalf of my party," said Small, who proceeded to summarise his party's objectives should it win the elections. "As far as the IMF is concerned, the country has the assurance that as always we will continue to tell the truth," Small ended.

In a follow-up, PNP general secretary Dr. Peter Phillips was reported on radio early Wednesday as denying Golding's charge that relevant economic data had not been forwarded to the IMF. Phillips was reported as saying that the data had been submitted, but the IMF and the government were in contact with each other about aspects of the data.

Golding's suggestion that the government was in trouble with the IMF follows agreement between Prime Minister P.J. Patterson and opposition leader Edward Seaga in an historic nationally televised debate a week ago, that the government would pass the March test. Seaga had alleged then that the government would pass the test because the Central Bank had bought foreign exchange

on the blackmarket to build its reserves. The opposition leader's allusion was to the charge which was recently the subject of an enquiry conducted by former Central Bank governor Horace Barber, that the Central Bank had bought foreign exchange at higher rates that the posted figure.

Golding's "curve ball" on the IMF ended, on a high note, Tuesday night's debate involving Small, Commerce Minister Carlyle Dunkley, and Education Minister Burchell Whiteman representing the PNP; and Golding, Audley Shaw, and Edmund Bartlett representing the JLP. Even before that, analysts agreed, the debate proved of a higher standard than the one between Patterson and Seaga a week ago.

Far more attention was paid to so-called "people issues" relating to education, health, public transportation, unemployment among youth and women in particular, the utilities, consumer protection, crime, and plans by either parties to diffuse suspicions that the police force is being manipulated by politicians. Both parties pledged to set up an independent public utilities commission to ensure that entities such as the water commission, the light and power company and the telephone company are made more accountable.

While the JLP appeared to argue for the police force to be removed entirely from any political direction and placed under the supervision of a totally independent body, the PNP argued that any elected government had a responsibility for security and as such should be duty bound to retain overall control of the police and the Army. The PNP said however that constitutional changes were necessary on how the police force is administered to ensure public confidence in its impartiality and freedom from political bias.

Political analysts here were almost unanimous in rating the performance by Small and Golding as being of "high quality." Overall the PNP team was given the edge for being "together" and "on top of the issues." Most agreed that Bartlett, a former dissident now rehabilitated in the hierachy of the JLP, was the least effective of the debaters.

The panel of questioners, talk show hosts Ronnie Thwaites, Barbara Gloudon, [and] Garnett Roper, political scientist Dr. Trevor Munroe, and head of the Jamaica Human Rights Council Flo O'Connor, were credited for asking relevant questions and showing far more spontaneity and "spirit" than their predecessors a week ago.

Trinidad and Tobago

Regional UN Chief Appointed to Somalian Relief Post

FL2403220593 Bridgetown CANA in English 1954 GMT 24 Mar 93

[Text] Port of Spain, Trinidad, March 24, CANA—Guyana-born Hugh Cholmondeley has been appointed to the post of United Nations relief and rehabilitation coordinator in Somalia.

A statement from the Port of Spain-based United Nations Information Centre for the Caribbean said Cholmondeley will work under the overall guidance of the special representative of the UN secretary general.

Cholmondeley is currently chief, Division III, Regional Bureau for Latin America and the Caribbean of the United Nations Development Programme (UNDP) in New York. He served previously as the United Nations resident coordinator/UNDP resident representative in Jamaica, serving also the Bahamas, Bermuda, the Cayman Islands, and the Turks and Caicos Islands.

Cholmondeley was general manager of the Guyana Broadcasting Service before joining the United Nations in 1972. He will succeed Philip Johnston who has been serving as acting humanitarian coordinator in Somalia for the past few months.

Uruguayan President Lacalle Meets With Salinas

PA2403220993 Mexico City Canal 13 Television Network in Spanish 1300 GMT 24 Mar 93

[Text] Mexican President Carlos Salinas de Gortari and Uruguayan President Luis Alberto Lacalle met in Mexico City, where they said they hope the two countries' trade liberalization efforts will not be foiled by protectionist stands. The Uruguayan president is visiting our country.

After stating there is a need for integration in Latin America, President Salinas said the North American Free Trade Agreement [NAFTA] signed with the United States and Canada will serve as a catalyst rather than a barrier to regional and world trade. President Salinas spoke during a dinner hosted in honor of President Lacalle.

[Begin Salinas recording] We are enthused about the new economic integration processes that are taking place in the Andean countries and about the new agreement forming the Southern Cone Common Market [Mercosur]. For our part, Mexico, the United States, and Canada have signed the NAFTA, which will act as a catalyst rather than a barrier to regional and world trade. [end recording]

The Mexican president also referred to the free trade agreement signed with Chile and to the systems that have been initiated with the Group of Three and Central America. He pointed out that we are interested in moving along similar paths with Uruguay.

President Lacalle said the processes for developing free trade in North America and Mercosur are opportunities for nations as well as individuals. He pointed out that the Ibero-American nations consider their integration, prosperity, and economic opening as national accomplishments, not as a loss of identity.

[Begin Lacalle recording] Nations such as Mexico and Uruguay consider integration, prosperity, and economic opening their best accomplishments as nations, proud of what they have done with no loss of identity at all. [end recording]

In an official joint communique, Mexico and Uruguay voiced their hopes that the trade liberalization efforts will not be foiled by protectionist stands. To that effect, they expressed their plans to achieve a successful completion of the Uruguay Round of GATT as a means of reaching higher levels of well-being and development.

The two governments agreed to support the United Nations' actions to safeguard peace and to continue advancing in their respective processes of modernization and environmental protection. They also agreed to seek mechanisms to promote investment and will soon begin talks for an agreement that will prevent double taxation.

The meeting between the two presidents began in the central courtyard of the National Palace, where the corresponding honors were presented. Economic and cultural cooperation agreements will also be signed during the Uruguayan president's visit.

President Salinas Comments on Economy, NAFTA

PA2403225093 Mexico City Canal 13 Television Network in Spanish 1300 GMT 24 Mar 93

[Text] Speaking before members of the National Institute of Finance Executives [Instituto Nacional de Ejecutivos de Finanzas—INEF], Mexican President Carlos Salinas de Gortari said the North American Free Trade Agreement [NAFTA] is advancing on schedule.

The seriousness with which public finances are handled in Mexico constitutes a solid point in keeping NAFTA's progress on schedule, President Salinas said at Los Pinos Residence while describing to INEF members the efficiency with which the economic program is implemented in our country.

[Begin Salinas recording] NAFTA continues to advance on schedule. The visit of Mr. Richard Gephardt, majority leader in the U.S. House of Representatives, confirmed his commitment to working toward the ratification of NAFTA in his country in 1993. We are similarly committed in Mexico, and the Canadian authorities have reaffirmed the same in their country. [end recording]

The president referred in his speech to specific points concerning the firmness with which his economic program is implemented. Strict discipline in public finances facilitated the attainment of a fiscal surplus in 1992, and such discipline will continue in 1993. Greater allotments were awarded to social expenses such as education, health, housing, and food; the inflation rate continues to decrease; prices of goods and services are also dropping; and producer prices are at one-digit figures now. Therefore, our inflation rate is quickly moving closer to those of our main trade partners. Our exports are growing faster than our imports.

[Begin Salinas recording] In other words, exports grew by 10 percent, while imports increased by only 9 percent in January 1993. Prior to that, imports had been growing by 35 and 38 percent. [end recording]

These achievements have been recognized both in Mexico and abroad, the president said.

[Begin Salinas recording] The seriousness with which public finances are handled in Mexico, the general economic strategy, and the changes in our economy that reflect widespread participation today deserve the recognition of everyone in this country as well as abroad. These are solid milestones in NAFTA'S timely progress. [end recording]

Belize

Government Protests Withdrawal of British Troops

FL2503003593 Bridgetown CANA in English 2050 GMT 24 Mar 93

[Text] Belmopan, March 24, CANA—Belize's foreign affairs minister, Said Musa, says a withdrawal of British soldiers from Belize will hurt the economy severely. Musa made the statement in an interview on the BBC's Caribbean Report.

"We recognize that clearly in the future the British forces will leave," Musa said. "We are not living under any illusions about that, but we are saying that at this time any withdrawal would be premature and we have communicated the position of the Belize Government very clearly to the British Government and our impression is that it has gotten a very favourable response up until the present time." Musa's comments came on the heels of recent reports in two leading British newspapers, which suggested that the United Kingdom Government is planning to withdraw its military garrison from Belize.

The SUNDAY TIMES of March 21, said no final decision has been taken as to when the garrison, which was stationed to deter any Guatemalan invasion over a century-old territorial claim, will be closed or how fast it will be phased out.

An earlier report in the DAILY TELEGRAPH at the end of February said four Royal Air Force (RAF) harrier jump jets would be moved from Belize to Europe this May, followed by the departure of the 1,200 troops and support staff next year. The plans have reportedly provoked criticism by senior officials from both the United States Drug Enforcement Administration (DEA) and the Pentagon. They fear that Belize could become a haven for illegal drug smugglers if the British military pulls out.

The reports in the DAILY TELEGRAPH and the SUNDAY TIMES said the plan to begin the phased withdrawal of the garrison from Belize is part of the British Ministry of Defence's cost-cutting measures as envisioned under its "option for change" document. The withdrawal, the reports said, is being made possible by the ending of Guatemala's running border dispute with neighbouring Belize.

The SUNDAY TIMES reported that even with the British garrison here, the DEA believes that Belize is becoming increasingly popular as an illegal drugs centre, partly due to the Mexican Government's success in combatting its own illegal drugs industry.

The DEA estimates that 54 tons of marijuana were produced here last year and cocaine trafficking has recently been introduced. The paper said that a senior U.S. Army officer responsible for fighting illicit drugs trafficking in the region told the British ambassador in Panama, Tom Markinson, the withdrawal would send an open invitation to drug barons to use Belize for smuggling. Quoting a DEA spokesman, the SUNDAY TIMES warned that traffickers are adapting to the situation by going to Central America, mostly Guatemala and Belize.

Costa Rica

Authorities Seize Explosives Shipped From Nicaragua

PA2503041893 San Jose Radio Reloj in Spanish 0100 GMT 25 Mar 93

[Text] National authorities confiscated a shipment of explosives that was sent from Nicaragua to Honduras. The goal was to send the shipment through Juan Santamaria International Airport, but customs employees discovered the contents of three boxes that had been delivered to the airport by a local cargo company. Agents of the Intelligence and Security Directorate have confiscated the boxes.

El Salvador

Committee Rejects Truth Commission Report

PA2403190193 San Salvador EL MUNDO in Spanish 22 Mar 93 p 15

[Open letter addressed to "Mr. President of the Republic; Mr. President of the Nationalist Republican Alliance, Arena," issued by the Committee To Rescue Salvadoran Sovereignty; place and date not given]

[Text] Since the Truth Commission report was revealed, the only truth that has been established is that this report is nothing more than someone's instrument for playing with the honor of a few people and another attempt to remove the Supreme Court members before they complete their constitutionally mandated term.

The following evidence emerges from this report, showing that the commission's work was a complete fiasco:

1. Joaquin Villalobos and his ERP [People's Revolutionary Army] claim that the commission does not mention other FMLN [Farabundo Marti National Liberation] general command leaders, who collaborated with his "deeds."
2. Herbert Anaya Sanabria's wife claims that the report is wrong because her husband's killers are not mentioned.
3. In the case of the Jesuits, the brand new commission only picks up rumors everyone knew about but did not mention in public; this was made worse by omitting the U.S. Embassy connection. The Society of Jesus accuses the commission of a lack of seriousness in its investigation, and asks the U.S. Senate to investigate the administrations of Ronald Reagan and George Bush regarding their knowledge of the events and their coverup.

4. The commission report does not consider Dr. Jose Antonio Rodriguez Porth's case, thus showing total contempt for the administration he represented as presidency minister.
5. In Monsignor Romero's case, the commission report repeats rumors circulated at the time for electoral reasons. Never, however, not even during the Napoleon Duarte administration, was anyone able to offer any proof.

Nevertheless, in an openly disrespectful manner against national sovereignty, the report attempts to condemn in less than six months all the highest authorities of the Judicial Branch, despite the fact that the Peace Agreements expressly establish that the branch magistrates will be elected in April 1994 and that the commission's mandate does not include any state branch investigation. In addition, the commission issued recommendations that violate this sovereign country's Constitution, intended to cause friction between the Executive and Judicial Branches. Even though the commission knows that the Executive Branch is burdened under the Peace Agreements, the report wants the Executive Branch to comply with a resolution that actually falls under the Judicial Branch. As if this were not enough, the report recommends, in another noticeable contradiction, that interdependence between government branches be strengthened.

The commission—inexplicably, at the request of the president—delayed the report for over a month. This gave way to speculation that the commission amended its report under pressure from powerful forces, such as the U.S. State Department and rich Salvadoran families, who managed to eliminate certain names and to include other statements.

We believe that in view of such speculation—especially in view of the strong rumors attached to the names of people linked to future electoral candidacies—Salvadorans deserve a credible explanation of events. Otherwise, it becomes obvious that the report seeks to harm the Supreme Court of Justice and the Armed Forces leadership. This gives the impression that something very serious is occurring among certain powerful circles. It is time for those in powerful circles to eliminate the huge economic benefits they receive with absolutely no regard for the Salvadoran nation and its future.

Unless an explanation is provided in a reasonable time frame, unfortunate consequences and devastating surprises could ensue for many.

FMLN on Ponce's Rejection of Truth Commission Report

PA2503041293 San Salvador Radio Cadena YSU in Spanish 1800 GMT 24 Mar 93

[Text] The Farabundo Marti National Liberation Front [FMLN] has stated that the speech delivered by the defense minister was out of touch with reality.

Defense Minister General Rene Emilio Ponce on 23 March made an official speech over a radio and television network during which he declared himself free from all guilt in the crimes investigated by the Truth Commission. In his speech, Ponce said the Truth Commission report was biased, unfair, and incomplete.

According to FMLN representative Marcos Jimenez, the Armed Forces staff must accept its responsibility to show it is willing to redirect its attitude toward the reconciliation of Salvadoran society.

[Begin Jimenez recording] First, we were very surprised by the statements from Gen. Ponce and the Army staff. We think the statements are totally inappropriate. We expected the Army staff to adopt a humble attitude, a reconciliatory attitude. We even expected them to apologize for the atrocities committed by the Salvadoran Armed Forces during the war.

What we have encountered in his statements, however, is that the Armed Forces do not accept even the smallest degree of responsibility. Furthermore, they hint that they are not responsible for any of the things that occurred. They do not recognize their responsibility for the murder of the Jesuits, even though it is something that has been proven, nor do they recognize their responsibility for the El Mozote massacre.

We believe Gen. Ponce statements are totally inappropriate. They are far from consonant with the country's reconciliation and stability. We thus call on President Cristiani to accept Gen. Ponce's resignation immediately so these sort of characters are really left out of the Armed Forces. [end recording]

The FMLN expressed its satisfaction with the Truth Commission report and stated that the primary step in fulfillment, which is the fulfillment of the recently announced recommendations, has yet to be taken.

According to the FMLN, the Army staff must leave the military institution to allow the transformation of the Armed Forces so they can adapt to the peaceful atmosphere the Salvadoran society now enjoys.

Deputy Questions Truth Commission's Authority

PA2403145193 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 24 Mar 93

[Report by Carlos Ramos]

[Text] Raul Somoza Alfaro, president of the Salvadoran Assembly's constitutional law and affairs committee, has said that the displeasure expressed by the judges about the Truth Commission's statements against the Supreme Court of Justice are, to a certain degree, understandable. Somoza added that the Truth Commission statements against the Supreme Court are offensive.

[Begin Somoza recording] It was disrespectful of the Truth Commission to say that all the members of the Supreme Court of Justice, in particular its president,

Chief Justice Mauricio Gutierrez Castro, should resign. When Mr. Bethancourt [not further identified] accompanied members of the Farabundo Marti National Liberation Front to the U.S. Congress, the Truth Commission said nothing and found this to be quite normal. They remained quiet when Bethancourt said that all judges in El Salvador, from the justice of the peace to the chief justice, should resign. [end recording]

According to Somoza Alfaro, a judge is the only competent authority to determine if a court has acted correctly.

[Begin Somoza recording] No foreigner—much less two South Americans who are being questioned in their own countries—is going to tell us what we can or cannot do. The agreements must be respected and the president of the Republic has already said he will respect those agreements.

As I said earlier, we must look into the possibility that the Truth Commission overstepped the boundaries of its mandate. [end recording]

Somoza Alfaro said it is necessary to look into the possibility that the Truth Commission overstepped its authority. If it has overstepped its authority, then the parties involved are not obligated to abide by the recommendations that it has made.

Legislative Official on Truth Commission Recommendations

PA2403134293 San Salvador Radio Cadena YSU in Spanish 1800 GMT 23 Mar 93

[Text] The political coalition Democratic Convergence [CD] will soon file an unconstitutionality suit to invalidate the general amnesty law.

Ruben Zamora reiterated that the conservative blocs at the Legislative Assembly made a serious mistake by supporting the law because it has constitutional problems. Because of this, the CD suit is legally valid.

The leftist opposition party also announced a number of actions meant to fulfill the Truth Commission recommendations.

[Begin Zamora recording] The law is not only inconvenient because of the reasons that have been stated, but also because it is a bad law that has serious constitutional problems. As a result, first the CD bloc at the National Assembly, in accordance with orders from the CD Political Commission, will request, in due time, that this law be declared unconstitutional. Right now we want to announce that we will make this request.

Second, we—the CD and its legislative bloc—believe that there must be amnesty, but that this amnesty must be part of the fulfillment of the agreements and the Truth Commission recommendations, and not an instrument to cover up.

We believe that a real national reconciliation law must be approved that comprises three parts. First, an apology to the people and all the victims for the horrors of 13 years of civil war. Second, the legal establishment of reparations for the victims of repression over all this time, and third, a pardon granted to the perpetrators of these deeds.

We believe that amnesty can only be decreed after an apology and compensation for the victims.

We have decided that our legislative bloc will support three basic measures at the Legislative Assembly. First, the discussion and approval of the judicial reforms, especially those regarding the judicial career law, the National Council of the Judicature, and the decentralization of the powers of the Supreme Court of Justice, specifically of the presidency of the Supreme Court of Justice.

Second, we will request the creation of a special Legislative Assembly commission to investigate the death squads, as the Truth Commission states in its recommendations that this investigation be continued. We believe the Legislative Assembly must contribute to that.

Third, at the legislature we will request the approval of the law for material compensation for the victims of repression and human rights violations during those years. [end recording]

The proposal also covers the work to be undertaken in the National Commission for the Consolidation of Peace, Copaz, in which they intend to suggest the creation of special commissions to deal with the Armed Forces and the judicial system.

[Begin Zamora recording] First, the term for the subcommissions on human rights and National Civilian Police must be extended so that this body for supervising and verifying the fulfillment of the agreements may take steps to implement these recommendations, which are very basic, especially regarding human rights.

Second, we will propose that Copaz must draft the bill for the creation of the fund for material compensation for the victims and their relatives.

Third, we believe that Copaz must assume its role as a body for national consensus and reconciliation, for which it must seriously retake the task entrusted to it, as suggested by the Truth Commission, so that the forum of truth and reconciliation can be established. [end recording]

The leaders of that political institution thus join other sectors who consider that the law jeopardizes the peace process as it will isolate the country from the international community and especially from those countries that provide cooperation in various areas.

Judicial Officials Issue Communique on Truth Commission

PA2403234793 San Salvador DIARIO LATINO in Spanish 23 Mar 93 p 15

[Communique issued by the Western Zone Judicial Branch in Santa Ana Department on 18 March: "The Truth Commission and the Judicial Branch in El Salvador"]

[Text] Before the conscience of the people, the undersigned, officials of the Western Zone Judicial Branch, who hold the posts of magistrates, lower court judges, and justices of the peace, issue the following communique:

I. On 15 March our country was shaken by the news that the so-called "Truth Commission" would disclose a report with a political content that would give the names of those Salvadorans responsible for criminal actions. The news materialized when the media carried some of the paragraphs or a summary of the report. We are specifically referring to the text LA PRENSA GRAFICA published on 16 March on pages 40 and 41, and the sections in paragraph five on El Mozote, which are the parts of the publication dealing with the Judicial Branch that we so proudly serve.

II. To set the record straight, one has to ask what is the Truth Commission? What is its legal standing? Is there or is there not a legal basis to its creation, its powers, and functions or does its actions fall outside our legal system?

The Commission stemmed from the agreement signed in Mexico by the Executive Branch and the Farabundo Marti National Liberation Front. The Commission was tasked with investigating serious incidents of violence that have occurred in our country since 1980. This Commission was made up of three foreigners appointed by the UN secretary general. Just that is enough to state categorically that the Commission is outside the Salvadoran legal system. The aforementioned agreement was not made by those our laws grant legal standing. El Salvador has its own constitutional law, which creates and organizes the functioning of the Judicial Branch, the sole entity to which the Constitution empowers to "judge and enforce judgments." This means that the Truth Commission is not a member of the Judicial Branch, so it can only be regarded as a political group of foreigners without any legal importance. For that reason, its inquiries, recommendations, and political powers offend the Salvadoran dignity and undermine the state and our Constitution.

For that reason, it was surprising that the Salvadoran Government through the Executive Branch signed and agreed to create said Commission. It would be more surprising, however, if the Executive Branch sought to enforce the dictates and recommendations of a group that does not exist from a legal standpoint, as that would entail an affront to our legal system, our political institutions, and the sovereignty of the Salvadoran people.

III. To refer to the statements that said Commission made regarding the Judicial Branch would give credibility to the insults that said Commission heaped on the Judicial Branch and Chief Justice Mauricio Gutierrez Castro. That is why we believe the conscience of the nation, made up of morally respectable persons—to whom we address this statement—can best pass judgment on state institutions and officials. It becomes necessary, however, to raise our voice to protest all the abuses and lack of respect shown by the Commission, a protest that also carries with it an appeal to all civilian and military authorities of the state to protect the dignity of Salvadoran institutions and persons. We cannot go on tolerating so much moral and political decadence. Let us enforce the rule of law and reject everything that undermines individuals, the law, and the state.

IV. Because of the unjust accusations and recommendations regarding the Judicial Branch, the members of the honorable Supreme Court of Justice and Chief Justice Gutierrez Castro were made victims. We feel it is necessary and are pleased to express our support for them. We are hereby affirming our vote of confidence and support, in a gesture of professional solidarity.

[Issued] Santa Ana, 18 March 1993
[Signed] Luis Alcides Calderon Moran, Henry Edmundo Macali Zometa, Jose Gilberto Ascencio Ayala, Rosa Paulina Sandoval, Joaquin Francisco Molina Linares, Carlos Jose Mendez Figueroa, Miguel Angel Aguirre Magana, Rene Dario Ramirez Montoya, Vladimiro Arnoldo Cinco Garcia, Roberto Astul Aragon Martinez, Hugo Miguel Angel Torres Mejia, Oscar Mauricio Tejada Solito, Rafael Antonio Lopez Calderon, Jose Gonzalo Fajardo Mendoza, Otto Salvador Carcamo Rodriguez, Salvador Molina Arevalo, Astrid Yanira Pineda Herrera, Maria Edith Rivas Orellana de Avalos, Godofredo Miranda, Miguel Angel Arriaza Caceres, Juan Jose Jaime Portal, Mario Castro Bethencourt, Oscar Armando Avile Magana, Francisco Alegria Mendoza, Joaquin Castro Salazar.

Peace Committee Asks Cristiani To Veto Amnesty Law

PA2403153693 San Salvador Canal Doce Television in Spanish 0300 GMT 24 Mar 93

[Text] Ramon Diaz, coordinator of the Permanent Committee for the National Debate on Peace [CPDN], said on 23 March that the amnesty decreed by right-wing parties is unconstitutional. He said that this benefit is not appropriate because the entire truth is not yet known.

[Begin Diaz recording] This is not the time for an amnesty because the truth has not yet been revealed. The people do not yet know the truth revealed by the Truth Commission report. Few people have had access to the Truth Commission report. Many times, people give their opinions based on what they hear in the media. [end recording]

The CPDN said that above all the population has not been given the opportunity to judge and later forgive those who committed human rights violations. It stated that the material damage sustained by the victims has not been repaid.

The CPDN added that the amnesty law is unconstitutional because it encompasses people who have broken constitutional provisions, such as the right to life. Regarding President Cristiani's statements that he will study the law to verify its legality, the CPDN considers this as an irresponsible act by the president.

[Begin Diaz recording] The president should not support an amnesty law that, according to him, he does not know the details of. We feel he is acting irresponsibly. Cristiani said he will analyze whether or not the law is illegal. How can he endorse the law and later question its legality? This is inappropriate coming from such a high-ranking official. Either he is in favor of the law or against it, and he should be willing to assume full responsibility. [end recording]

The CPDN asked President Cristiani to veto the law approved by the Legislative Assembly. The group asked the president to fulfill the recommendations made in the Truth Commission report before thinking of an amnesty law.

New Free People Party Presents Principles, Goals

PA2403151293 San Salvador EL DIARIO DE HOY in Spanish 23 Mar 93 p 21

[Statement issued by Free People Party National Secretariat members Raul Molina Martinez, Manuel Martir Noguera, Guillermo Hidalgo Vejar, and Willy Bendix Cornejo; place and date not given]

[Text] "Patriots Do Not Surrender"

We have said this in the past and now we confirm it to our beloved people. After a strong battle, in which we were firmly supported by thousands of followers, the Supreme Electoral Tribunal agreed to legally register our "Free People" [Pueblo Libre] Party.

Today we are a new force that is solemnly committed to the people's leading interests.

The road we have traveled has not been easy. We had to overcome many obstacles. Several sectors tried to block our path. Our struggle against politicians, who wish to live in a past without democracy and pluralism, has been rough.

Aware that we assumed a historic responsibility by becoming a political party, we want to reiterate to the Salvadoran people that our democratic and pluralist vocation is authentic and unswayable. We are committed to the principles of effective justice and respect for human rights. Our belief in the one and only true God will guide our political actions.

Based on those principles, "Free People" will now accept all citizens who have our same spirit and who are aware of the civic and historic demands we are making. We call them to join our ranks and, with us, to promise solemnly to:

1. Combat crime with all available legal forces. Crime is terrorizing all the social sectors in the country and the government is not in keeping with its role as guarantor of civic security.
2. Find and propose ways to decrease the country's high unemployment rate, which has a negative impact on the people's well-being and also causes undesirable attitudes.
3. Combat the extreme poverty that is ravaging thousands of citizens—adults and children—especially in rural and depressed urban areas. The achievement of true peace and justice is only possible if we eliminate the scourge of poverty. The constant cost of living increases in the country threaten this situation further.
4. Struggle to get the country to adhere fully to and respect the rights of women and children, and to stop violence against them. We will also strive to attain a better quality of life for the handicapped, the retired, and elderly people.
5. Promote justice and demand that it be applied toward all without any distinctions.
6. Combat political polarization that is consciously being sponsored by sectors eager to perpetuate themselves and attain political power in the country. We maintain that the political polarization promoted by those sectors is an outrage to the intelligence of Salvadorans and their analytical capacity. Salvadorans can opt for wiser and less confrontational political positions, such as the ones upheld by "Free People."
7. Struggle to attain a prompt and authentic economic recovery for the peasant, agriculture, commerce, labor, industry, and service sectors. These areas had to sacrifice and suffer heavy losses during the armed conflict, but are ignored by insensitive banking and government sectors.
8. Work to form a democratic center that will find an honest government program to save our fatherland. The program will lead the country to sustained development, authentic democracy, and true peace with the attainment of a climate of harmony, national reconciliation, and true ideological pluralism.
9. Take important steps to improve our education and health sectors and make them accessible to all. We will also make efforts to improve effectively our country's ecological resources.
10. Take an interest in the fatherland as a whole and endeavor to build and preserve it.

Fellow citizens, the time has come when every Salvadoran has to participate politically. This is the only civilized way to ensure a sovereign fatherland and to become a Free People. [Signed] The National Secretariat:

Raul Molina Martinez Cedula No. 1-1-113890
Dr. Manuel Martir Noguera Cedula No. 4-1-020415
Dr. Guillermo Hidalgo Vejar Cedula No. 1-1-149978
Dr. Willy Bendix Cornejo Cedula No. 1-1-158609

Guatemala

Country Signs Legal Cooperation Agreement With Spain

PA2403232093 Guatemala City SIGLO VEINTIUNO in Spanish 23 Mar 93 p 8

[Text] Spanish Justice Minister Tomas de la Quadra Salcedo and Supreme Court President Juan Jose Rodil Peralta signed a legal cooperation agreement on behalf of their two countries on 23 March.

Both countries will cooperate with government organizations, universities, research centers, institutions, and other public and private organizations to implement programs of common interest, according to the agreement.

The programs will focus primarily on those institutions that guarantee basic individual rights, strengthen normative and procedural mechanisms, and modernize judicial proceedings and the system of appointment and qualification of officials in the judicial branch and the Attorney General's Office.

Juan Jose Rodil said at the end of the ceremony that the Spanish justice authorities will be responsible for reviewing the agreement, which provides appropriate mechanisms for appeal in cases of noncompliance.

Rodil proposed the creation of the Opposition Judicial Council, which would include a representative from each law school in the existing universities, the bar association, and the Supreme Court. The council will be in charge of evaluating professionals who want to work for the Supreme Court.

Honduras

Army Spokesman Comments on Budget Cuts

PA2503001593 Tegucigalpa EL HERALDO in Spanish 24 Mar 93 p 3

[Report by Armando Villanueva]

[Text] The Armed Forces said on 23 March that the budget cut could accelerate a reduction of the Army and possibly force the closure of some military academies. Nevertheless, the Armed Forces will respect the executive branch's decision.

Army Spokesman Colonel Napoleon Santos Aguilar made that statement shortly after the executive decree was published by the media.

Santos Aguilar did say, however, that the Armed Forces will wait for the "official note" on the decision and will study which areas of the institution will be affected.

Santos Aguilar said the budget cut was an executive branch decision with no participation by the military institution.

He noted that since 1990 the Army has been reducing its budget to save money. As an example, he mentioned the military farm and military industry programs.

He stressed, however, that the problem continues with transportation and communications equipment, and some types of ammunition that must be purchased abroad with dollars.

Asked if the government's decision will result in an Army reduction, Santos Aguilar replied: "We are now conducting an overall review of the military institution. It is therefore possible that a reduction could take place in the next few months, and that there could be budget adjustments to reinforce police activities.

"We are studying various options and will keep the public informed through you, the media."

Regarding the closure of some military academies, Santos Aguilar said it is difficult to answer that question, "but we know various options are being studied that could include that possibility."

Santos Aguilar categorically ruled out the possibility of selling F-5 fighter bombers or other military equipment as a result of the budget cuts.

U.S. military aid to Honduras was reduced by $14 million in 1993.

Concerning the Merchant Marine, Santos Aguilar announced that based on information he has, in the next few days a bill will be presented to Congress that is aimed at improving the country's merchant system.

He added that the purpose of the bill is to stop the practice of granting to the highest bidder Honduran registration of ships on the high seas. That practice has been followed over the past few years to such an extent that several Honduran-flagged vessels have been stopped with drugs or arms shipments.

He noted, however, that only the Legislative Assembly can decide if the Merchant Marine will be transferred to civilian authorities.

Nicaragua

Government To Request Embassy Occupiers' Extradition

PA2503043493 Managua Sistema Nacional de Television Network in Spanish 0230 GMT 24 Mar 93

[Text] Government Minister Alfredo Mendieta has stated that the government will request the extradition of the individuals who seized the Nicaraguan Embassy in Costa Rica.

[Begin Mendieta recording] We will request their extradition regardless of their current status. [end recording]

Minister Mendieta also referred to the cases of Manuel Urbina Lara and Guillermo Oporto Reyes, who are

currently in the Dominican Republic. He added that the group that seized Radio Mundial in Managua will also stand trial.

[Begin Mendieta recording] Cardinal Miguel Obando y Bravo has emphasized how important it is for the government to maintain a flexible attitude on some issues without violating the law. We were categorical about this: We did not grant amnesty or a pardon. These people will have to stand trial just like Urbina Lara will have to stand trial. We have already submitted an extradition request so he will be sent back to Nicaragua to pay for his crimes. [end recording]

Mendieta denied reports about friction between Costa Rica and Nicaragua during the negotiations.

[Begin Mendieta recording] I would say there was hardly any tension. On the contrary, I might add that most of our work was carried out in a harmonious atmosphere, primarily because we shared a common interest: the hostages' safety and the need to bring them out alive. Of course, there were some differences concerning safety mechanisms and the pressure we had to exert on the kidnappers. Truly, those were the only differences we had.

We thank the Costa Rican Government for all its efforts on this occasion. We believe the Costa Rican and Nicaraguan Governments shared the responsibility. We respected the Costa Rican Government's decisions on safety, controls, and pressure. We simply made suggestions and the Costa Rican Government officials never pressured us as far as negotiations were concerned. They never said we should negotiate this or that, or that we should not negotiate a given issue. [end recording]

Judge Protests Release of Radio Station Occupiers

PA2403232293 Managua BARRICADA in Spanish 23 Mar 93 p 1

[Text] Diana Avendano de Gutierrez, Criminal Court judge, sent a letter of protest to the Supreme Court because the government, without taking her into consideration, "ordered" the suspension of the criminal case and released the four people accused of occupying Radio Mundial.

"I was handling the case, which was in the investigative stage, when I learned suddenly of the government's decision to release the detainees, overstepping my authority," the judge stated in her letter.

A couple of hours before learning of her protest, Government Minister Alfredo Mendieta and Deputy Foreign Minister Jose Pallais denied reaching an agreement with Jose Manuel Urbina Lara on an amnesty or pardon for the radio station occupiers, who were allegedly supporting the so-called "Yolaina Command."

"We told them (the command) that impunity should cease and that those involved in the case of Radio Mundial would be tried. I believe the Attorney General's Office should investigate if they were linked with the embassy takeover," Pallais stated.

The agreement between Urbina and the government, which was obtained by BARRICADA and was not disclosed by Pallais or Mendieta, stated in its first point that the Nicaraguan Government "committed itself to release" the four people arrested in the Radio Mundial incident.

Pallais explained later to BARRICADA that the agreement only implied the authorization that they be released on bond, but that the trial proceedings would continue. This was confirmed by Attorney General Guillermo Vargas Sandino.

Alma Rosa Arana, director of Radio Mundial, said that as far as she knows the order to release the accused was given by the Nicaraguan Presidency and that the radio station did not pay a cent for their release.

"Their relatives paid the bail, because it is a minor crime, but they will be investigated to determine if they had a role in the embassy takeover, which is a much more serious crime," Vargas Sandino explained.

* UDC Positions, Factions Reported

* Text of Declaration

93CA0076A Managua BARRICADA in Spanish 20 Feb 93 p 5

[Text] **Christian Democratic Union (UDC) Political Declaration**

On the third anniversary of the Nicaraguan people's triumph at the polls, the UDC has examined the crisis that the country is experiencing and has adopted a political position on Nicaragua's problems. We are now informing the nation of that position:

Historic Opportunity

The 1990 elections paved the way for profound structural changes in the country and opened up a historic opportunity to build a system of democratic cooperation based on social justice, the rule of law, the observance of public liberties, and the effective participation of the citizenry in the building of their future.

To achieve this cherished goal, it is imperative that we stabilize the political process and reach a national understanding that will be backed by the key political, economic, and social players in the country.

National Crisis

The effort to build democracy is being threatened by polarization and instability. The paralysis of the legislative branch is one of the clearest manifestations of the existing tensions; as a result, one of the main counterweights of the political system is rendered useless. The virtual elimination of the parliament has accelerated the

concentration of power, opening up the dangerous possibility that this government will become an authoritarian one.

It is exacerbating the national crisis, the growing threat to public safety, and the outbreaks of violence in both rural and urban areas. As a consequence of this escalation, Nicaragua is becoming ungovernable.

The institutional crisis, the resurgence of violence, the lack of public safety, and the accusations of corruption have severely tarnished Nicaragua's image in the international community. This is particularly serious, given our dependence on foreign financial aid.

The combination of political problems and dwindling external financing continues to hamper the economic process. There is no investment to speak of, unemployment is on the rise, and the fears of a new outbreak of inflation have arisen once again.

The most serious hardships of the political and economic crisis are suffered by the most impoverished sectors of the population. The number of poor people has risen dramatically, and their poverty is growing deeper.

The Government of the Republic is responsible for this crisis. Its intransigence and inflexibility in negotiations have put it out of touch with a vast segment of the population, and rather than resolving the crisis, often the government has helped aggravate it.

Country Demands National Stabilization Agreement

Clearly the situation in Nicaragua is extremely serious. We run the risk of turning into an ungovernable society with rampant poverty.

In view of this situation, the political forces of the nation face the urgent task of reaching a National Stabilization Agreement to resolve the political crisis and create opportunities to alleviate poverty.

National Assembly

The current parliamentary crisis demonstrates that no single political force can ensure the stability and legitimacy of institutions and of political processes. The Sandinist Front, which is currently playing the role of coalition partner in the executive branch, has assumed power once again in the National Assembly on the basis of a cunningly crafted majority that cannot legitimize the executive board of the Assembly or those of the committees.

It is impossible to bring the National Assembly back to normal without completely reorganizing the entire parliamentary leadership. The rights of the National Opposition Union (UNO), as the leading political force in the legislature, cannot be ignored. The crisis in the National Assembly can only be solved by electing a new executive board and restructuring the committees, maintaining the specific weight of the existing parliamentary blocs. It is also necessary to agree upon a basic legislative agenda. A realistic and far-sighted approach should be taken in finding solutions to these problems, opening up the possibility of negotiations among all players.

Armed Forces

Another factor contributing to the polarization of our society is the current situation in the Armed Forces. It is essential that the Military Organization Law be amended to set clear guidelines for entrance, promotion, and retirement from the Army. The law should clarify the fact that the Army is an essentially professional organization that is subordinate to civilian authorities, rather than a deliberative body. It should be established that promotion to higher rank is determined by civilian authorities. It is obvious that no matter what term is set for the highest-ranking military commanders, that of the current commander of the Army began running when the president of the Republic was inaugurated, if not before.

The institutionalization of the Armed Forces also entails vesting the Defense Ministry with the powers that are intrinsic to its function as the top institution in charge of the Armed Forces. We cannot postpone any further the appointment of a civilian defense minister and the requirement that the Armed Forces derive their funding solely from the budget of the Republic.

It is also necessary for intelligence agencies to stop operating outside the law and to come immediately under the control of civilian authorities.

Law on Property Ownership

If the national economy is to recover, we need a law on property ownership that will put an end to the crisis that has been plaguing our society in this regard. Furthermore, we have an obligation to reach an understanding on this matter, or there will simply be no solution for the country. The law on property ownership should include provisions for the prompt, effective, and fair compensation of those whose property was arbitrarily confiscated, and a requirement that those who appropriated property illegally pay restitution or return the property.

The new property ownership law should, under the UNO Government Program, guarantee the rights of those who have participated in agrarian reform, and should expand the democratization of rural property ownership.

Property issues should not serve as a pretext to carry out campaigns of hatred and vengeance.

Municipalities

The expansion of democracy includes the strengthening of local government. Consequently, local governments must be given sufficient administrative and financial autonomy, as well as significant powers. True democratization in practice involves a redistribution of power. Citizens must be given the greatest possible control over their leaders and elected officials, and one of the principal instruments for doing that is local government.

In this regard, we share the legitimate concerns of the country's mayors and city council members in the face of interference by the executive branch in areas that are within their exclusive domain.

Alleviating Poverty

The current government took office amid a serious economic crisis, and it inevitably had to carry out an adjustment program. We recognize the difficulty involved in developing a social policy under these circumstances. We believe, however, that no economic policy can be successful if it does not contribute to a better standard of living for the people it is intended to serve.

The government's present social programs, unfortunately, do not encompass profound and structural solutions to the problems of poverty.

They are analgesics with short-term effects, and often they are erratically managed. The nation demands a broad and comprehensive effort and a national debate to seek programs and remedies that will make an effective contribution to alleviating poverty. The UDC reiterates once again the need for a broad National Accord Against Poverty.

No to Violence

Despite the widespread and growing mistrust that many citizens feel toward public institutions, particularly the judiciary, the UDC appeals to all Nicaraguans to resort to the legal mechanisms of petition, complaint, and peaceful protest to exercise their rights. We emphatically repudiate any use of violence to solve national problems, and we call upon the people to repudiate those who advocate violence. We support all civic expressions of citizen protest that have been carried out, because not only do they put democracy into practice, but they also make it possible to correct errors in a sensible way by providing an opportunity to reflect and rectify.

Defense of Human Rights

Human rights are still threatened in some situations in this country. The UNO Government Program provides that "an office of Human Rights Prosecutor shall be created, and the office-holder shall be elected by the National Assembly to protect the fundamental rights of man as set forth in the Constitution." The postponement of this commitment encourages violations of human rights.

Professional Comptrollership by Consensus

Aside from legal formalities, the procedures followed to remove the comptroller general of the Republic from office were inappropriate and politically costly for the government, and for the country as a whole.

A suitable comptroller who enjoys the confidence of society and of all the political forces represented in the National Assembly should be appointed forthwith.

Constitutional Reforms

Regardless of ideological or political considerations, constitutional reforms are required to eliminate the ambiguities, omissions, and contradictions contained in the current Constitution. It must be brought in line with the democratization process and the structural changes that were begun after the 1990 elections. Nicaragua cannot continue operating with the current overwhelming imbalance of power. It is imperative that we reform the legislative process and eliminate the current system of parallel legislation.

It should be established clearly that legislative functions are reserved exclusively to the National Assembly.

Final Call: Dialogue and Patriotism

We invite the Government of the Republic to reestablish its ties with the forces that gave birth to it so that we can contribute effectively to national reconciliation, to broader opportunities for economic development, and to the establishment of a stable and secure democracy.

We call upon all political forces, including our partners in the UNO and the Sandinist Front, to offer the country solutions, right now, to the problems that face the nation. Putting off these solutions would not only show a lack of responsibility, it would also constitute an assault on the country's poor and needy.

History shows us that citizens reject leaders and parties that become embroiled in internecine struggles which are not only fruitless, but worse yet, cause obvious harm to the humble and needy. We must cross the Rubicon to our destiny. We must break with a tragic, polarized past; we must modernize our political practices, accept each other for what we are, and compete fairly for power, in accordance with the law and in the interests of the public good.

Given these considerations, and assuming the establishment of democracy as a crucial strategic goal for the good of the nation, the UDC believes that the development and strengthening of political institutions is essential for ensuring the order, stability, and security of government processes. In view of this need, and within the context of a strategy of salvaging rather than wrecking the transition to democracy, the UDC believes it is indispensable that the government finish out its term and its program.

An early end to the program sanctioned by the people, or a different outcome than that anticipated, would abort the fragile process of democratization. We would be exposing the country to a dangerous risk, and we would be giving the authoritarian forces an opening to seize power, either through a coup or by further corrupting the political processes in the National Assembly.

To our Christian Democratic members we send a message of hope that is based on a process of consolidating and installing the Christian Democratic Union throughout the national territory.

There can be no democracy without parties and without democrats. Modern political life is organized on the basis of parties, and a democratic system cannot have a society of autocrats as a foundation. We Christian Democrats have a duty to help give Nicaragua solid and democratic political parties. That is our pledge.

Despite the serious nature of the crisis, in view of the existing polarization, the atmosphere is propitious for a dialogue and for negotiated solutions.

Common sense tells us that prolonging this situation will only make everyone losers.

The UDC reiterates its firm commitment to continue striving to find solutions to our serious national problems. As Monsignor Leopoldo Brenes, secretary of the Episcopal Conference, has said: "The future of the fatherland does not depend solely on the government, on the opposition, or on deputies; it depends on all of us."

Managua, 18 February 1993

UDC National Political Committee: Agustin Jarquin Anaya, Luis Humberto Guzman, Adolfo Brenes, Ricardo Reyes, Azucena Ferrey, Jose Gabriel Moya, Luisa del Carmen Larios, Cairo Manuel Lopez, Gregorio Campos.

* Political Groups Outlined

93CA0076B Managua BARRICADA in Spanish 25 Feb 93 p 15

[Commentary by Oscar-Rene Vargas]

[Text] The recent visit by former President Vinicio Cerezo Arevalo to Nicaragua and the Christian Democratic Union (UDC) Political Declaration of 18 February 1993 illustrate the contradictions that exist within the Christian Democratic movement, and the possibilities for political negotiation.

The document suggests to us that there are at least two political currents within the UDC, with two different medium-term political programs. One is headed by Luis Humberto Guzman and Agustin Jarquin Anaya, and it seeks a relationship of "cohabitation" with the Sandinist bloc and the Center-National Opposition Union (UNO) group in the legislature in order to emerge from "the current crisis in parliament." This arrangement would allow the UDC to establish its own political presence in the current situation so that it could stake out positions that are independent of those promoted by the Christian Democratic movement.

The second group, headed by Azucena Ferrey, advocates maintaining the alliance with and political subordination to the "Group of Three." In the eyes of the Christian Democratic International, this would mean squandering an opportunity to play an important and independent role in the current crisis in Nicaraguan society and to maintain the party's old line that engaging in confrontational opposition is more effective than political cohabitation.

The arrival of Cerezo Arevalo served to bolster, temporarily, the faction that is leaning toward political cohabitation in the National Assembly. Indeed, during his visit the general lines of the Political Declaration were drafted, and it is unfavorable to the most hardline sectors of the UDC and the UNO.

This political document does not please all political forces. If we look at it bit by bit, we find things that are annoying to every political player named; but if we look at it as a whole, we can all derive some benefit from it.

Why do I say this? The experiences of the transition are exceptional and very delicate. Anyone who bets on the collapse of his adversary in a difficult situation and assumes that he will be able to prevail is taking a very risky attitude. During this transition period, when the serious disparity between potential social demands and the country's real economic resources has become increasingly apparent, we need the broadest possible national consensus.

Those of us who favor the strengthening of democratic approaches believe it is essential to have a parliamentary majority that will ensure a negotiated constitutional reform. If the UDC were to join a relationship of cohabitation, it would guarantee that outcome, and would weaken the positions of the "Group of Three."

On the other hand, we must consider the fact that to consolidate the Christian Democratic faction that favors a political cohabitation with the Sandinists and the center, the government and the Sandinists must sit down and negotiate with this faction to find a solution to the country's current crisis. The negotiations will not be easy, since they are being pressured by the hardliners in their own party. But the Political Declaration provides enough leeway to begin negotiations aimed at achieving a political consensus. This political cohabitation should not be viewed as an absence of differences.

Neither the government nor the Sandinists stand to gain from maintaining the current impasse in Nicaraguan society. Every day that goes by favors those who want to break up the constitutional order. With every day that passes, poverty grows worse and the advocates of the past become stronger.

Panama

M-20 Claims Responsibility for Bomb Outside Passport Office

PA2403233493 Panama City Circuito RPC Television in Spanish 2300 GMT 24 Mar 93

[Excerpt] The self-styled 20 December Movement [M-20] has claimed responsibility for detonating an explosive device outside the National Passport Directorate on

Via Espana. Fortunately, the terrorist act did not cause any casualties. [passage omitted]

Relatives of Invasion Casualties Block Canal Bridge

PA2403183193 Panama City Telemetro Television Network in Spanish 1730 GMT 24 Mar 93

[Text] On the morning of 24 March, the relatives of those who were casualties of the 20 December 1989 U.S. invasion blocked traffic on the Bridge of the Americas, demanding that payments as stipulated by Law 20 be made in no more than 30 days.

They call for a monthly payment of $50 to the children of the casualties, posthumous promotions of the deceased officers, and other rights contemplated by this law [of the former Panama Defense Forces].

Union Wants Plebiscite on Fate of U.S. Military Bases

PA2403220293 Panama City Circuito RPC Television in Spanish 2300 GMT 23 Mar 93

[Report by Mara Rivera]

[Text] A Cid-Gallup poll has shown that eight out of 10 Panamanians want U.S. bases in Panama to remain past the year 2000. Ray Bishop, secretary general of Local 907, the Armed Forces employees union, said this is the government's opportunity to support democracy and hold a plebiscite that will reveal Panamanians' positions.

[Begin Bishop recording] We think Panamanians should be allowed to express their opinion on the U.S. military bases. Let us have a plebiscite to allow Panamanians to decide on the future of the reverted areas. We do not understand how the Panamanian Government can evade the responsibility of allowing Panamanians to make whatever decision they deem best. [end recording]

No official position on the possibility of holding a plebiscite has been disclosed as yet because the Panama Treaty Affairs Executive Directorate would not agree to talk to us any earlier than the afternoon of 24 March.

Endara Supports Education Minister, Criticizes Media

PA2403215793 Panama City Telemetro Television Network in Spanish 1730 GMT 24 Mar 93

[Excerpt] President Guillermo Endara on 24 March announced his position on the conflict between the Catholic Church and the Education Ministry, stating that he will not accept Education Minister Marcos Alarcon's resignation. Endara also questioned the appropriateness of the concentration of power in local television stations and their negative messages in a democracy .

President Endara clarified that he will not ask Alarcon for his resignation and said that if Alarcon presents his resignation, he will not accept it. Endara also accused the legislators of trying to take advantage of the church while engaging in petty politics. He said the legislators were staging a show [previous word in English] and a childish action by requesting a vote of censure against the education minister.

Endara emphasized that at no time has he felt any pressure or threats from the church. He insisted that television stations broadcast negative messages that are of no help. He added that he will suspend his weekly news conferences in view of the scarce coverage they are given.

[Begin recording] [Unidentified reporter] You say the media are doing negative things. Is that not a fact in the country?

[Endara] No, no, no. I was not referring to the media. I said the television stations have too much power and they are in very few hands. In a democracy, power should not be concentrated in only a few hands. Power should be distributed. That is the success... [pauses] the reason for attaining a democracy by division of powers. The more powers are divided, the better. We have very few television stations here. [end recording] [passage omitted]

Colon Unemployed Demonstrate; One Arrested

PA2503042593 Panama City Circuito RPC Television in Spanish 2300 GMT 24 Mar 93

[Report by Damaso Reinaldo Garcia Villarreal]

[Text] Protests were once again reported in Colon. The disturbance resulted in one government vehicle destroyed and one Movement of the Colon Province Unemployed [Modesco] leader arrested.

Members of the Modesco rank and file marched to the city entrance to block traffic on the morning of 24 March. A small number of demonstrators were later dispersed by the Public Force with birdshot and tear gas. Modesco leader Giselle Tingling was arrested during the disturbance. Even though her followers said she was mistreated, Tingling looked composed and waited for the authorities to take action.

The group that was dispersed on 16th Street assembled once again on 10th Street and Central Avenue in front of the San Jose Paulino Church, where they tried to block the street with tires, boxes, and other objects. They were once again dispersed by riot police.n Members of the Modesco rank and file shattered the windows of an Institute of Hydraulic Resources and Electrification vehicle in the area.

The demonstrators said the 24 March protests were in response to the government's intention to implement a scholarship plan next month. Another Modesco leader, Felipe Cabezas, who has a warrant out for his arrest, is currently in hiding.

Transportation Workers Block Traffic To Protest Bill

PA250?935593 Panama City Circuito RPC Television in Spanish 2300 GMT 24 Mar 93

[Report by Ciro Ortega]

[Text] Transportation workers are protesting a bill to regulate that sector. Bus owners used their vehicles to block streets leading to the Legislative Assembly. The action was a protest against the transportation bill being discussed in a second debate at the Legislative Assembly.

Riot police were protecting the area around the Justo Arosemena building, where the Legislative Assembly is located, to disperse the demonstration if it turned violent. Here is what some transportation workers had to say about their problem:

[Begin recording] [Presencio Correa, member of the Transportation Federation] We had an agreement with the legislators that public transportation service would be provided by legally established transportation organizations. We reached that agreement with the legislators. Now it turns out they are approving an article stating that transportation service will be provided by legally established organizations, period. A legally established organization could be any entity they may want to create overnight.

[Eliseo Alvarez, president of the Communications and Transportation Commission of the Legislative Assembly] The term legally established organization comprises all labor unions, cooperatives, and corporations that are currently working in the transportation sector. It is a law that prevents the wealthy from entering this sector. It clearly states that the government respects the concessions of all transporters who are currently providing the service, but it has to be done in order. The group that is protesting apparently wants no law. [end recording]

At the time of this report, transporters were continuing their protest, adversely affecting third parties, while the transportation bill continued to be reviewed at the Legislative Assembly.

Argentina

Senate Ratifies Tlatelolco Treaty Banning Nuclear Arms

PY2503020493 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2329 GMT 24 Mar 93

[Excerpt] Buenos Aires, 24 Mar (NA)—The Senate tonight ratified, with the approval of all blocs, the Tlatelolco Treaty that bans nuclear arms in Latin American and the Caribbean.

The Tlatelolco Treaty, which was sent to the Chamber of Deputies, promotes the creation in Latin American and the Caribbean of a free zone in which the member states commit themselves to ban and prevent in any way the testing, use, manufacture, production, purchase, storage, installation, or deployment of nuclear arms.

The Tlatelolco Treaty was amended three times, after it was signed in Mexico on 14 February 1967, following demands by our country, which opposed its ratification, objecting the control system established in the treaty to monitor compliance with its goals.

Following the amendments implemented in 1992, Argentina decided to ratify the treaty. The appropriate bill was submitted to Congress and now the Senate has approved it. [passage omitted]

Peace Keeping Troops Return From Croatia

PY2403132493 Buenos Aires TELAM in Spanish 1148 GMT 24 Mar 93

[Excerpt] Buenos Aires, 24 Mar (TELAM)—General Raul Gomez Sabaini, the Army deputy chief of staff, early this morning received troops of the 2d Argentine Army Battalion (BA-2) who were assigned to the UN peace keeping force in Croatia. Welcoming them he said: "We thank you for having represented our country in such a dignified and courageous way during that difficult mission."

Gomez Sabaini received the 300 members of the first unit of the BA-2 to be rotated with a message from Army Commander Lieutenant General Martin Balza in which he highlights the tasks completed by the unit in the zone of conflict in former Yugoslavia, where "you have created the image of an Army that is known for its discipline and its humane courage." [passage omitted]

Bolivia

EGTK Guerrilla Group Attacks Mormon Church

PY2403161093 Madrid EFE in Spanish 2231 GMT 23 Mar 93

[Text] La Paz, 23 Mar (EFE)—The Tupac Katari Guerrilla Army (EGTK) has claimed responsibility for the attack against El Alto Mormon Church, 12 km from La Paz, where a bomb exploded without causing any victims.

Bolivian police reported on 23 March that the attack occurred late on the night of 22 March and that the explosion damaged the building.

The EGTK claimed responsibility through pamphlets that it left at the scene of the attack. The pamphlets carried a message indicating that "the struggle begins." A cloth banner with the seditious group's acronym was also found at the scene of the attack.

Police Commander Ramon Esprella stated that the Bolivian police are surprised at the reappearance of the EGTK, an organization that was considered to be completely disbanded and whose main leaders are currently in jail.

This is the first time the EGTK, a guerrilla group with an indigenous slant, has attacked a U.S. institution.

According to police reports, a total of 20 EGTK members are currently in the Conchocoro of La Paz, a maximum security prison, while three other leaders are fugitives.

Brazil

Ukrainian President Kravchuk To Visit Early August

PY2403140593 Rio de Janeiro O GLOBO in Portuguese 23 Mar 93 p 8

[From the "Swann" Column by Ricardo Boechat]

[Text] Another chief of state of the former Soviet Union has announced that he will visit Brazil after Boris Yeltsin's visit.

Ukrainian President Leonid Kravchuk informed Itamaraty on 19 March that he will visit Brazil during the first half of August.

Ministers Work To Remain in Positions After Plebiscite

PY2403162093 Sao Paulo FOLHA DE SAO PAULO in Portuguese 22 Mar 93 p 1-5

[Article by Tales Faria and Luiz Antonio Novaes]

[Text] Ministers linked to center-leftist parties are already at work to prevent being forced out of the government of Itamar Franco after the plebiscite on 21 April. Immediately after the second cabinet meeting presided over by Franco on 19 March, eight cabinet members went directly to the house of Foreign Minister Fernando Henrique Cardoso (PSDB) [Brazilian Social Democracy Party] to address the subject.

The group concluded that there is only one possibility for the government to remain united after the plebiscite: the president should make no more mistakes, the inflation rate should drop, and the popularity drop should be reversed.

The meeting at Cardoso's house was attended by Social Security Minister Antonio Britto of the PMDB [Brazilian Democratic Movement Party]; Planning Minister Yeda Crusius of the PSDB; Social Welfare Minister Juthy Magalhaes Jr. of the PSDB; Federal Administration Secretary Luiza Erundina of the PT [Workers Party]; Labor Minister Walter Barelli of the PT; PPS [People's Socialist Party] member Roberto Freire, the government leader in the Chamber of Deputies; and PMDB member Pedro Simon, the government leader in the Senate.

The president also shares the group's concern about the "day after" [two preceding words in English]. Itamar Franco fears that parties will abandon him due to the virtual victory of the presidential system of government and the start of the campaign to choose his successor.

The group members want to convince Franco to no longer listen to the "advice" of the so-called palace group, and to make important decisions only after listening to the ministers and to Congress. They believe that the president has hinted that he agrees with the idea, after the disorderly replacement of Finance Minister Paulo Haddad by Eliseu Resende.

Justice Minister Mauricio Correa, who was used for undermining support for Civil Household chief Henrique Hargreaves, will again play a key role in coordinating the government's center-left wing. Correa was called for a meeting with the group this week.

Correa, who will run for the federal district governorship, has no reason to refuse to reassume the coordination work, even if he is not the coordinator—a role that he says he does not want. At the height of the confrontation with Hargreaves, Franco said that he would share the coordination work with his two leaders in Congress.

The center-left group has identified three currents within Franco's circle of close friends: Those who follow Hargreaves, which tends to congregate the "rightist" group; those who follow Resende, which is a link between the "rightist group" and technical sections of the government; and those of the "left," who might use Correa as its spokesman before the president.

In addition to their concern over the government's future, the group is also studying the problems that their members—all of them Congressmen—might encounter with the radicalization of their parties and with the so-called policy of post-plebiscite alliances. At the meeting sponsored by the foreign minister, there was unanimous opinion that the PT, which has decided to support the presidential system of government, has spoiled the possibility that its virtual candidate Luis Inacio Lula da Silva could be the candidate of the parties of the Parliamentary Front.

Planning Minister Yeda Crusius Interviewed

PY2403143593 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Mar 93 p 4

[Interview with Planning Minister Yeda Crusius in by an unidentified reporter in Brasilia on 18 March]

[Text] [O ESTADO] Has it been decided if pension funds will participate in privatization auctions?

[Crusius] Some ideas are being discussed in this new phase of the denationalization process, rather than calling it privatization. No decision has been made about allowing pension funds to return to the auctions. When we make a decision we will announce the details. We believe in the need to socialize the results of privatizations, to allow workers to decide on the kind of asset in which they will invest their money. If pension funds want to return to the auctions, they must change their methodology. Their participation could be through shares. If the capital of a company must be doubled, preferential participation could be offered to pension funds. The idea is that pension funds should return to the auction process, but not as the instigators. They should not assume ownership in place of the government.

[O ESTADO] What are you doing toward the privatization of public companies now that auctions are not being held?

[Crusius] We will announce some important results: the extension of management contracts for public companies. The results of the Vale do Rio Doce contract can already be evaluated. We believe the contract should last another year, but the first results are positive. The contract with Telebras [Brazilian Telecommunications, Inc.] is nearly ready. This holding and each of the integrated companies will remain under this kind of management contract—including the Postal and Telegraph Department. Mines and energy companies, like Petrobras [Brazilian Petroleum Corporation], have now asked to join the management contract system.

[O ESTADO] Do you know when the next management contract will be granted?

[Crusius] A management contract requires some time to prepare because the parties involved must understand each other's goals and the government must arrive at an understanding with the public companies. But a very important point is that the public companies want to negotiate and sign this kind of contract.

[O ESTADO] How will the management contract, which means an autonomous company, be made compatible with the control on public salaries that President Itamar Franco defends?

[Crusius] A management contract is not a certificate of freedom. The management contract does not mean that the company no longer has any responsibility. The salary policy must be negotiated within limits to attain market,

cost, profit, and foreign trade goals. They will not have complete autonomy. There is a joint administration between the government and the public companies—that is the novel feature of management contracts. Public companies must meet macroeconomic goals, and they must be prepared for any kind of administration, either public or private.

[O ESTADO] At what stage is the Petrobras contract?

[Crusius] The Petrobras system is an enormous quilt that came together over the years. It must begin by deregulation. Petrobras must decide on a scale of charges and for that it needs a cost sheet. That will be prepared through research in order to arrive at a contract. Therefore, it implies a whole period of preparation.

[O ESTADO] How long will it take?

[Crusius] In the case of the Petrobras complex, to define its scale of charges and compile a system of charges based on costs should take about four months, optimistically speaking.

[O ESTADO] People currently in the administration complain that the former administration destroyed all information about public companies. How did you manage to work without that information?

[Crusius] Ever since President Itamar came to power, the Public Companies Department has worked hard to recover the information on the status of the companies. There are financial, patrimonial, and administrative records of all companies. Preparing these documents with 1992 information finished last week. They reveal their status of surplus, deficit, indebtedness, and this is what will be presented to the president of the Republic this week.

[O ESTADO] You will take to the ministerial meeting a famine map prepared by the Ipea (Applied Economic-Social Research Institute, which is part of the Seplan [Secretariat of Planning and Coordination of the Presidency of the Republic]). This follows a proposal by the PT [Workers Party] to guarantee a basic food basket. What is the government proposing?

[Crusius] We have already taken more than just the map. We took an idea involving action programs against famine, which after taking a look at the map, will make all of us feel ashamed. The idea involves four items: The reduction of the prices of the products that make up the basic food basket, beginning with the Somar supermarket chain; The decentralization of free meals for schoolchildren to make it more efficient and determine the funds required by the program, and even increasing the funds already allocated; The implementation of a program to care for the undernourished, which is a very intelligent program—mothers who resort to health centers could be identified by the health care people as undernourished mothers unlikely to be able to support a child and would receive assistance and; The fourth project involves reviewing and expanding the PAT, the Workers Food Program [Programa de Alimentacao ao Trabalhador].

[O ESTADO] Would this be equivalent to Mexico's Solidarity Program that former Minister Paulo Haddad wanted to implement?

[Crusius] Yes. Former Executive Secretary Antonio Magalhaes went to Mexico to check the Solidarity Program. The president of the Republic is personally convinced that this represents a new way to plan and act against famine. It is even more efficient if the program is decentralized. Instead of the federal government telling the municipal level what is to be done, the community, through an organized system, will actually determine what must be done.

[O ESTADO] What happened during the past years is that, whenever the budget was returned to the executive branch from Congress, the Seplan would say: "This is unrealistic. We will spend just 15 or 20 percent of the budget every quarter and at the end of the year we will forget what has not been spent because it would no longer exist." This year Congress wants to prevent the executive branch from implementing the so-called "contingency" budget. What will the government do to control funds?

[Crusius] I am going to generalize but, for the first time, this year the budget is being entered in the Senate's computer system. Therefore, I still do not know what I am going to receive. In this case, however, a contingency budget will depend on reality. In other words, if there is money, payments will be made. We are planning—and this is absolutely rational—to say: This is our budget and these are the revenues that were collected. Therefore, we will not have to implement a contingency budget. As much as possible, each ministry will decide its disbursement priorities—coordinated as always by the Budget Secretariat that has an all-encompassing view. We will even negotiate with Congress. We will require additional credits in some cases.

[O ESTADO] The budget does not allocate funds for paying the equal salary treatment of public servants because congressmen preferred to create new expenditures and did not cover that expenditure with the tax increases that they introduced. How will the equal salary treatment of public servants be paid?

[Crusius] According to the Budget Guidelines Bill, which will be voted on in April, new expenditures that crop up before the budget is voted on must be negotiated with Congress. The equal salary treatment of public servants, the 147-percent social security payment, and, concerning revenues, the fiscal adjustment have all cropped up—none of them was included in the original proposal. The equal salary treatment of public servants was not included in the original proposal. Everyone knows, however, that this money must be disbursed. We must remember that, concerning approved budget disbursements, the law establishes that payrolls are a priority

issue. If there are no funds for the equal salary treatment of public servants, they will be found from the approved changes. Paying public servants is a legal priority that the people must observe. They know this. In other words, it is not a good idea to ban contingency funds. In countries without inflation and with a mature administrative management, this is an absolutely must. The executive branch is not entitled to change legislative branch allocations, with the exception of additional credits, emergencies, and so on. As a document, our budget establishes this, but, in reality, things are different.

Lack of Legislation Having Impact on Privatization

PY2503014893 Rio de Janeiro O GLOBO in Portuguese 23 Mar 93 p 17

[From the "Economic Panorama" column by Miriam Leitao]

[Text] As a result of the privatization process, three enterprises groups—Bozzano, Gerdau, and Odebrecht—are becoming the new leaders in Brazilian industry. But, due to the lack of antitrust legislation these new leaderships could end up creating new monopolies and cartels. In Europe, privatization is shadowed by committees that defend competition that prevent distortions such as those that are beginning to appear in Brazil.

1. The Gerdau Group is responsible today for 50 percent of Brazil's total production of nonplated steel. If it purchases Acominas it will have a monopoly in that industry.

2. The Bozzano Simonsen Bank is the leader of a consortium that controls Usiminas and is the largest shareholder in the Tubarao Steel Company. If it purchases CSN [National Iron and Steel Company] it will have a hegemony over the production of steel plate in Brazil.

3. After the purchase of Poliolefinas, the Odebrecht Group has obtained a dangerous concentration of power in two petrochemical complexes, and it already has a small participation in a third complex.

The virtues of privatization are not to be disputed, but the deficiency in legislation to promote internal competition is to be disputed. Currently there are four organizations that oversee the matter, but they are concentrated in two ministries: finance and justice. The result: No government action in this sector is completed. It is enough to observe the Cade's [Administrative Council for Economic Defense] investigation into the Gerdau Group, which purchased Cosinor in order to close down the enterprise to prevent competition. No one knows what the outcome was.

Agreement Reached, Indians Clear Carajas Railroad

PY2403182093 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 24 Mar 93

[Text] The Carajas railroad in Maranhao State, which was blocked two days ago by members of four Indian tribes, has just been cleared following an agreement between Indian leaders, National Indian Foundation [Funai] representatives and Rio Doce Valley Company [CVRD] officials. The Indians, who demanded a new demarcation of their land, held seven Funai officials hostage.

The Carajas railroad, which is used to transport iron ore from Carajas to Sao Luis, had been blocked near the city of Santa Ines.

The railroad is owned by the CVRD. The blockage prevented the transportation of 200,000 metric tons of iron ore and of more than 3,000 passengers. CVRD has reported that the blockage of the railroad cost $4 million; that is, more than 100 billion cruzeiros.

Environmental Experts To Survey Territorial Sea Resources

PY2503020093 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Mar 93 p 9

[Article by Elza Pires]

[Text] Brasilia—Environment Ministry experts today will begin to conduct a full survey of our natural resources within the 200 mile Brazilian territorial sea, the Exclusive Economic Zone (ZEE). The research will be conducted using the Riobaldo vessel from the port of Tamandare in Recife.

For three months, six experts from the Northeastern Fishing Research and Extension Center [Centro de Pesquisa e Extensao Pesqueira do Nordeste] (Cepene), linked to the Brazilian Institute for Environmental Affairs and Renewable Natural Resources (Ibama), will inventory all the natural resources that may or may not be exploited within the 200 mile area.

Brazil is one of the 60 signatory countries of the 1982 UN Sea Rights Convention that establishes the creation of Exclusive Economic Zones. Pursuant to the UN rules and regulations, however, our country will only be able to ratify the 1982 convention after conducting detailed research of our territorial sea.

First Step

Environment Minister Eduardo Coutinho Jorge said: "Beginning the ZEE research represents the first step in realising the convention's proposals." He and Deputy Roberto Freire (PPS/PE) [People's Socialist Party/ Pernambuco State], the government leader in the Chamber of Deputies, will participate today in the departure ceremony for the Riobaldo.

During its expedition, the vessel will traverse the entire coast between Recife and Fortaleza at a distance of 360 miles offshore. According to Article No. 60 of the convention, its main task will be to determine which species may be caught and which species must be protected because they are endangered species.

The Riobaldo vessel expedition is part of the Pelagic Resources Research Project [Projeto de Pesquisa de Recursos Pelagicos] that is being implemented in the ZEE. The coast between Ceara and Pernambuco States was divided into three areas and oceanographic and fishing stations. The Riobaldo vessel will traverse the entire region.

Five Countries Missing

The agreement on sea rights will become effective only after all the countries ratify it. Fifty-five countries had already ratified it by June 1992 when Rio-92 was held. About 10 years after signing the agreement, Brazil remains among those countries that still must comply with the task of researching the territorial sea's resources.

The team of experts aboard the Riobaldo will map the fishing species that are commercially exploited and will specifically study the species that are hit to a larger extent by commercial fishing activities. The expedition begins today. The expedition's program includes five research projects and 23 research subprojects. The project will cost 16 billion cruzeiros.

During its mission, the vessel will dock twice at the ports of Natal and Fortaleza to refuel and give the ship's crew a chance to rest.

Data FOLHA Poll Shows Lula Most Popular Politician

PY2503031493

[Editorial Report] Sao Paulo FOLHA DE SAO PAULO in Portuguese in its 22 March edition carries in Section 1, page 7, a 400-word article by Clovis Rossi about a poll conducted by DataFOLHA demonstrating that the public prefers Worker's Party President Luiz Inacio Lula da Silva ahead of Sao Paulo Mayor Paulo Maluf if the elections were held today.

The poll, which was conducted on 16 March, shows that 27 percent of the voters prefer Lula, while 20 percent prefer Maluf, of the Social Democratic Party. The greatest "surprise" of this poll is the increased popularity of Rio de Janeiro Governor Leonel Brizola, from the Democratic Workers' Party, to 13 percent, which places him in third place after Maluf. This is due to Brizola's daily appearance on television in advertisements in favor of the presidential government system during the free television time space for the 21 April plebiscite.

After Brizola comes Orestes Quercia, from the Brazilian Democratic Movement Party. Nine percent of the public favor Quercia, 6 percent favor Antonio Carlos Magalhaes, from the Liberal Front Party, and 5 percent favor Tasso Jereissati, from the Brazilian Social Democracy Party.

Lula's advantage over Maluf is most evident in the northeastern region, where 33 percent of the public prefer him over 9 percent for Maluf. They are even in the southeastern region with 26 percent for Lula and 25 percent for Maluf, but Lula's advantage in the north and center-west region is only 27 against 20 percent.

Government Considering New Debt Agreement Alternatives

PY2403184093 Rio de Janeiro O GLOBO in Portuguese 23 Mar 93 p 23

[Text] Brasilia—Economic Policy Secretary Carlos Eduardo de Freitas has reported that the Brazilian Government could abandon its strategy of renegotiating the current agreement with the IMF and begin negotiating a new agreement. The decision depends on an evaluation that is to be made by the government and by Alexandre Kafka, Brazil's representative to the IMF. To maintain the current agreement, which has not been complied with, the government would have to ask for a waiver [preceding word in English]—a request for pardon—with a justification for not having complied with the agreement.

Talking with journalists, he said that "the government changed course in the middle of the agreement. It could be said that a new government should have a new agreement."

At the annual meeting of the Inter-American Development Bank (IDB) to be held in Hamburg as of 29 March, the government will have its first indication regarding the willingness of the creditor banks to sign a debt agreement. More than 60 percent of the banks have opted for Brazil's most expensive alternative: bonds at par, which do not carry discount on Brazil's debt, and obliges the country to buy U.S. debt bonds as a guarantee.

Pedro Malan, the foreign debt negotiator, who will be in Hamburg to talk with the private creditors, has stressed that it is too early to say how the banks will be repaid from the various alternatives that exist for paying the debt.

He said: "We will continue to talk until we reach an ideal solution."

Central Bank Chairman on Reducing Interest Rate

PY2503035293 Rio de Janeiro O GLOBO in Portuguese 24 Mar 93 Economy Section p 22

[Text] Brasilia—The Central Bank is unable to comply with President Itamar Franco's desire to reduce interest rates. During a three-and-one-half hour question-and-answer meeting with the Senate Economic Affairs

Committee, when his nomination as Central Bank chairman was approved by a 20-to-1 vote, Paulo Cesar Ximenes stressed that it will not be possible to reduce interest rates as long as the country does not achieve economic stability. According to the economist, if the Central Bank would now choose to reduce the interest rates, it would later be punished by unrestrained inflation.

Ximenes said: "In Brazil, the monetary policy is implemented with the goal of reducing liquidity in order to prevent pressures on the prices."

As a solution, Ximenes advocated a broad fiscal reform that will allow the state to recover its investment ability. In his opinion, this reform must be discussed with Congress within the framework of a constitutional review. Ximenes emphasized that the reform is the shock required by Brazil and that it should precede other measures as foreign exchange and monetary benchmarks. Questioned by Senator Valmir Campelo (PFL-DF) [Liberal Front Party-Federal District] about whether he favored the economy's dollarization as a benchmark, Ximenes stressed: "All the benchmarks have fiscal reform as an end. With fiscal reform, the Central Bank may use any benchmark."

In order to curb market speculations, which, in his opinion, today operate as sources for increasing interest rates, the future Central Bank chairman emphasized that the government requires political support. In his opinion, with such support, credibility, which is a basic aspect for operating with lower interest rates and longer terms, would be recovered.

Ximenes said: "After resolving the political problem, the economic problem would also be resolved."

Ximenes said that, until the reform is implemented, the Central Bank must implement a monetary policy that will maintain the currency's value, controlling its issuance. He added that the Treasury will strictly control the approval of expenditures and the Federal Revenue Department must implement a serious effort against tax evasion. Ximenes added that the Central Bank will strictly supervise the state banks in order to prevent them from being used as a source to finance the election of governors in 1994.

Ximenes announced: "The Central Bank has already been injecting $4 billion since 1982 for the recovery of various state banks."

Paulo Cesar Ximenes' inauguration has been scheduled for 25 March.

Army Brigade Commander Complains About Lack of Resources

PY2403160893 Rio de Janeiro O GLOBO in Portuguese 23 Mar 93 p 4

[Article by special correspondent Sandra Brasil]

[Text] Taubate, Sao Paulo State—General Durval Antunes de Andrade Nery, commander of the Army's Aviation Brigade, believes that the Army is not obliged to fulfill the tasks of other government organizations on its own and without resources. He complained that the brigade's 54 helicopters are idle because of a lack of money to purchase fuel and recalled that he is facing dissatisfaction among his troops over low salaries.

The commander indicates that the lack of budget and resources prevent the Army from participating more actively in social programs, especially now that the current problems of the drought in the Northeast and the spread of cholera demand the participation of public organizations.

The general said: "Everything has a price, and helicopters do not fly on fresh air. Where is the Federal Government's budget? I am afraid of what is happening in the northeast. Everything is dry, and the cholera is killing people."

He believes that the Army is not obliged to fulfill the tasks of other government organizations on its own and without resources. The general said that "a lot of courage" is needed to maintain the brigade's routine activities.

He indicated that due to the lack of resources only three of the 54 helicopters are being used in the Amazonia to control the border and to give aid to the people who need it.

Chile

Colombian Policeman Wants Laws Against Money Laundering

PY2503021493 Santiago Radio Chilena Network in Spanish 1100 GMT 24 Mar 93

[Report by Gerardo Beltran]

[Text] Nestor Arango, deputy director of the Colombian Police Security Department, has said that all countries in the world must have laws against money laundering. He said that money laundering affects most of all those countries with an open economic system. He added that Chile as well as other Latin American countries must be aware of the effects of this problem.

[Begin Arango recording] It is important to be aware that the invasion of capital resulting from drug-trafficking and other illegal activities will cause very serious problems for the economy in the future, and will also become an incentive for drug-trafficking activities in the country. [end recording]

The Colombian policeman added that the antidrug fight must be global, because this illegal action has also resulted in the traffic of chemical precursors, weapons, and explosives, in addition to capital. He said that this

struggle must involve both countries' consumers and producers of drugs, especially cocaine.

[Begin Arango recording] The antidrug campaign must be an overall fight which must include consumer countries by adopting drug prevention programs, and developed countries by controlling the traffic of chemical precursors and the traffic of weapons and explosives. [end recording] [passage omitted]

Arango termed as an important blow for the Colombian drug cartels the imminent arrest of Pablo Escobar Gaviria. We must say that Pablo Escobar is the most wanted man by the Colombian police services, and that extremely large amounts of money have been offered as a reward for his arrest.

Arango added that due to the serious damage caused to public order by Escobar's criminal actions, his arrest and trial will help reduce the activities of many drug traffickers who operate in his country. Arango made these remarks within the framework of the 13th conference of the international criminal police organization, Interpol, being held at Diego Portales building.

Colombia

Congress Discusses Revamping Social Security System

PA2403214993 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 23 Mar 93

[Text] At this very moment, the future of the bill that would establish the new social security system is being discussed. There are serious differences between the government proposal and the wants of the unions and Congress.

The retirement bill proposed by the Congress removes the possibility of the social security system disappearing and suggests strengthening the system so it can compete with private pension funds.

[Begin Alvaro Uribe, Liberal Party member, recording] Congress is leaning toward a system that will offer the worker two options: to join a revamped social security system or to join a private pension fund, which is also supported by the workers. [end recording]

There are other differences. While the government speaks of a retirement age of 65 for men and 60 for women, the Congress is suggesting 62 for men and 60 for women. The government suggests that the contributor pay 1,500 weeks—30 years—into the fund, while the Congress suggests 1,000 weeks. The government says everyone must contribute to this fund, while Congress believes the workers should be free to choose. Congress has also suggested that the workers have active participation in the administration of the fund. Congress is also struggling for a solidarity fund that would help those who cannot afford to contribute to the social security fund.

[Begin Luis Fernando Ramirez, Labor and Social Security minister, recording] Suggestions have been received from unions, contributors, and teachers. We are trying to incorporate the best of each of these suggestions so the Congress will draft a single Social Security system that will provide coverage for all, as well as ensure that once a person reaches the age of retirement he will receive a pension. [end recording]

The 23 March meeting could bring the process to a standstill because the workers want the old system.

[Begin Gustavo Osorio, vice president of the United Workers Federation, recording] We believe the Social Security laws must be respected. Social security coverage must be expanded and the system improved. [end recording]

Government Minister Discusses Peace Talks With Guerrillas

PA2403231093 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 24 Mar 93

[Interview with Dr. Fabio Villegas Ramirez, government and interior minister, by Dario Arizmendi, Caracol news director, and unidentified reporter in Santa Fe de Bogota—live]

[Text] [Arizmendi] We greet Dr. Fabio Villegas Ramirez, government and interior minister. On 23 March the government issued an internal disturbance decree, paving the way for the resumption of peace talks with guerrilla sectors, specifically the Socialist Renewal Movement [CRS]. Good morning, Mr. Minister.

[Villegas] Good morning, Dario. How are you?

[Arizmendi] As things are now, when will these talks begin in Barranquilla.

[Villegas] What we basically did on 23 March by issuing this internal disturbance decree was to empower the government to begin direct talks with guerrilla groups, such as CRS, which have expressed their unequivocal desire to begin a peace process and join civilian life, thereby leaving the armed struggle.

This decree paves the way for government representatives, expressly authorized by the president, to establish contacts and hold talks with members of the aforesaid subversive groups. In addition, the decree establishes that to verify the unilateral cease-fire, which has been demanded as a condition to hold talks with the CRS, it is necessary this group concentrate in specific sites of the national territory. It is important to mention that the arrest warrants for CRS leaders for political offenses will be suspended in the aforementioned specific locations during the negotiations. This will permit us to advance the dialogue process.

[Arizmendi] Have these specific locations been determined?

[Villegas] No. Basically, we want to establish the legal framework for our actions. It is necessary, however, to define certain procedural and mechanical elements of the talks to advance the direct contacts with the CRS. One of these elements is precisely the concentration of the guerrilla group and the verification of the unilateral cease-fire.

[Arizmendi] Mr. Minister, who will preside over the government delegation in the first stage of the negotiating process?

[Villegas] We have not yet made a selection. We would basically do what we have done in the past; that is, we would have representatives from the Advisory Board for Peace Issues and the Government and Interior Ministry at the dialogue. This, however, has not yet been decided by the president of the Republic.

[Arizmendi] Outside of the CRS, have other forces expressed their interest in talking to the government to explore political possibilities?

[Villegas] No other political force has voiced its willingness to talk to the government. On the contrary, what we have perceived from the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] is a desire to continue its terrorist attacks and violence throughout the country.

[Arizmendi] Mr. Minister, the executive decree states talks can be held with any sector or group that wishes to rejoin civilian life. According to this, the government can talk to the Revolutionary Armed Forces of Colombia or any other group. Does this mean it would be easier for the government to attain a partial rather than a global peace?

[Villegas] No. This means the government has devised a policy to strengthen the Public Force, military forces, and their operating and offensive capability to deal with the public order situation. This has been seen by the important results achieved in the last few months. This policy is complemented by a policy to strengthen justice and seek citizens' support.

This strategy does not close the doors to negotiations with guerrilla groups or factions that express a real desire to attain peace, rejoin democratic life, and abandon the armed struggle. We are willing to hold talks with these groups.

This is not, however, the only element of the strategy to deal with the public order situation. We will continue to work to strengthen the military forces and justice until we are able to defeat subversive organizations in this country.

[Arizmendi] Mr. Minister, the doors for the so-called regional dialogue have been practically closed. Is there a possibility to resume regional dialogues?

[Villegas] No. It only makes sense to conduct talks with those organizations that are really determined to return to civilian life. It is only meaningful to carry out talks with those groups that pursue democratic ideals and wish to resolve their political problems through discussion, dialogue, persuasion, and ideological confrontation rather than violence and murder, which is what is taking place in Uraba region. [words indistinct] regional dialogues, as in the case of the CNGSB in that region of the country.

[Arizmendi] Mr. Minister, how will you implement Article 4 of the decree issued by the government on 23 March, which states that with the sole purpose of facilitating a peace process under its guidance, the government will be able to authorize the full or partial dissemination of communiques from guerrilla organizations linked to the peace process or interviews with members of such organizations?

[Villegas] I think we will have to look at the progress of the discussions, in the event they take place. We would have to see what kinds of manifestations, presence, and communiques—which can be of use to the peace process—are issued by guerrilla organizations. We cannot rule out that option.

By issuing this decree, we simply want to open a legal framework so the government, when it deems it convenient and useful for the peace process, can allow the media to broadcast those kinds of communiques.

[Arizmendi] Will it be a general authorization or will a media source have to ask permission from the government to interview a CRS leader, as certain television newscasts did in the past few days? We do not know if they had authorization to do so.

[Villegas] I think there is room for both possibilities. The important thing is that we carry out our actions within the framework of the peace process, which has not yet begun. There has been a statement by the CRS accepting some government demands on a unilateral cease-fire. They repudiated kidnapping, extortion, and ended their attacks against the Public Force and civilian population. This has opened the possibility to begin talks, but we are still in the preliminary stage.

[Arizmendi] Mr. Minister, some critics may argue the decree issued on 23 March stretches the law to fit the government's needs regarding peace and any other issue. What do you think of this assertion?

[Villegas] Quite the contrary. What we are doing here is devising a legal framework to hold conversations. We want to place the proper importance and legality on this initiative. We want to avoid vacuums that existed in the past when holding these kinds of conversations. At that time, the talks were held without clear legal basis and foundations. We have now created a juridical and coherent framework that will permit us to advance the dialogue process.

[Reporter] Good morning, Mr. Minister, considering the peaceful nature of Atlantico Department, some sectors,

including the governor of Atlantico Department, have proposed the state of internal disturbance be lifted in that part of the country. Is this possible and what is the government's opinion?

[Villegas] First, I would like to clarify the following: There is no clear definition on the places for holding the talks, if talks are held with the CRS. It has not yet been established that the talks will be held in the city of Barranquilla.

On the other hand, the public order situation remains different throughout the country. Therefore, the government does not have plans to make an exception anywhere in the country.

[Reporter] Changing the subject, how did the police command officers receive the statements made on 23 March by the defense minister that he will examine the police force and create two commissions that will make proposals and issue a report on the situation in that discredited institution?

[Villegas] I think the country, government, and police command officers are aware of the fact it is necessary to carry out a revision and self-evaluation on police operations, personnel selection, and the promotion system. This will benefit the country and the very institution, given the service that should be provided by police.

[Arizmendi] To conclude, Mr. Minister, was the kitchen installed at the Itagui jail, where drug trafficker Pablo Escobar Gaviria might be jailed according to remarks by the media and Monsignor Dario Castrillon, with authorization by the national government and the Justice Ministry?

[Villegas] I cannot give an opinion on the process in which criminals surrender to justice. The Prosecutor General's Office of the Republic handles that process. That is not unusual, however, but would be if the government minister were informed of those developments. If there is one area in which the country has advanced from a legal standpoint it is that the government established an institutional and legal framework that allows the nation to be informed on how the process of surrendering to justice is progressing. We have made progress in that field. There is no process of negotiation or mediation with criminal groups or individual outlaws; for that reason the Government Ministry has refrained from participating in events that may lead any criminal to surrender to justice.

[Arizmendi] The front cover and lead article of SEMANA reports that President Cesar Gaviria Trujillo and Prosecutor General Gustavo de Greiff have differences regarding the conditions for the surrender of Pablo Escobar Gaviria. If you have read the report, what can you tell us about it?

[Villegas] I think that is not so. I do not think there are any differences. The national government, the president, all of us have voiced our total support for the work the Prosecutor General's Office has been conducting to end impunity in the country, advance the process to reinforce the legal institutions, enforce the policy of surrendering to justice, develop the prosecutor's system, and dismantle organized crime. The Prosecutor General's Office has the full administrative, logistical, and legal support of the government. We feel truly pleased and proud of the work this office is conducting to develop justice in the country.

[Arizmendi] Without wanting to describe it as a confrontation, can one say there are differences of opinion on the methods and procedures to urge Escobar to surrender?

[Villegas] I think there are different functions. The process to make criminals surrender to justice is conducted based on the guidelines established by the law. According to the procedures established by the law, the Prosecutor General's Office must handle it. This office has the full support of the president and the government in the way it conducts that policy.

[Arizmendi] Does the government share the view expressed by Prosecutor General de Greiff in Uraba during a visit he made there with President Gaviria? De Greiff said some of the concerns Pablo Escobar's lawyers have conveyed to the Prosecutor General's Office involve minor requests and are not demands, as some media have described them.

[Villegas] I can tell you that surrendering to justice of any criminal comes without any kind of conditions. The criminal knows there is a law governing the surrender process. The development of any specific case must fall within that previously described surrender policy fully described in the decrees with which the country is familiar.

[Arizmendi] Mr. Minister, it is up to the Justice Ministry and General Directorate of Prisons to authorize a kitchen, as you have already done, to prepare food for Pablo Escobar and his men. The Justice Ministry must also authorize the paving of a courtyard and a permit whereby Escobar can contact his family three times a week. These three conditions do not fall within the domain of the Prosecutor General's Office. Would the government agree these three demands made by the cartel leader are of minor importance?

[Villegas] An evaluation of these requests or any others must be made by the Prosecutor General's Office. The government is willing to provide all the support that institution requires for the successful development of the surrender policy. Allow me to point out that I am personally convinced that the surrender of any criminal does not depend on such considerations, but on the success of the security corps, the success of the search bloc in this specific case, and on the success of the authorities.

Surrenders in the past have depended on the success of the security corps, especially in the Medellin metropolitan area.

[Arizmendi] Mr. Minister, does this mean the government would have no trouble complying with the requests if the prosecutor general agrees Escobar's demands are not very serious and can be fulfilled?

[Villegas] The government is prepared to deal with the requests made by the Prosecutor General's Office for the development of its policies. That institution has been working efficiently and responsibly to eradicate impunity in the country and to achieve the implementation of justice throughout the national territory.

[Reporter] Government Minister Fabio Villegas, we thank you very much for addressing Caracol. You have explained two issues that are fundamental to the public: the surrender of Pablo Escobar and other outlaws and the initiation of dialogue with CRS.

Defense Minister Remarks on National Police

PA2503015693 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 24 Mar 93

[Interview with Defense Minister Rafael Pardo Rueda by Dario Arizmendi and unidentified reporter in Santa Fe de Bogota—live]

[Text] [Arizmendi] Good morning, Mr. Minister.

[Pardo] Good morning, Dario.

[Arizmendi] We would like to acknowledge publicly that it has been a long time since we have seen a defense minister demonstrate such bravery and civic values. This was demonstrated on 23 March when you delivered a well thought-out speech before officers, noncommissioned officers, and police officers. The thesis of the speech uncovered a reality for which you want to find a solution. For example, you said there is one point on which you want to be very specific regarding the study. You said that this is a serious and broad study that cannot hide faults and errors and must be open to the initiatives of the members of the two commissions to be appointed by the national government. These commissions will investigate the police force and then propose solutions. It is the officers, noncommissioned officers, and police officers who have the greatest interest in a permanent and serious solution. Otherwise, Pardo Rueda said, it goes without saying the institution's future will be questioned. Mr. Minister, how was your speech received?

[Pardo] We had a very interesting and constructive meeting. There were approximately 1,200 officers, noncommissioned officers, and police officers present. We did not have the opportunity to hear each and every one of them, but we did exchange ideas for a couple of hours on what I set out before them and on diverse aspects regarding the future of the police force. I must say, they are the most interested in the police force becoming the institution all Colombians can trust and which can guarantee our security.

[Arizmendi] You also said no one is thinking about purges or about dismantling the institutions or fostering public admonishment. Why, then, were the two commissions appointed?

[Pardo] They were appointed because the goal is to engage in in-depth reflection and study. Subsequently, if the case merits—which I think it does—reforms will be proposed within the National Police. It is not a matter of saying that such and such a person should be removed or should remain. Rather, this deals with an in-depth examination of the structure of the National Police. This is the sentiment the government has given to this period of reflection. Commissions have been convened made up of civilian members, as well as from the National Police's internal work group. The goal is to analyze and look for underlying solutions dealing with the institution's structure. This will not be done with personal attacks, or with witch hunts—as we have said—or with purges that would be useless unless there is a change in the structure. Rather, the goal is to work toward the police forces we truly want and ways to project it toward the future.

[Reporter] During that reflection period convened by the government, it is fundamental to examine specific cases. This will have to be done to learn why the police have been engaged in so many irregularities in different parts of the country. This is something that cannot be avoided. What will be done when those faults are pointed out and when the causes are identified?

[Pardo] It is not the main task of the commissions to examine individual or specific cases, no matter how serious or delicate. The individual or specific cases have their own competent [word indistinct] to be investigated. These work groups in the commissions will make an in-depth study of the structure of the National Police, recruitment, training, their links to the different government levels, and the police role in the control of public order and in the area of prevention. Those are the basic issues that will be studied. It is inevitable that individual cases will surface, but we should look at the structure rather than individual cases.

[Arizmendi] Mr. Minister, you were summoned to Congress to report on the case of the girl who was killed at a police station. Do you have specific information on this case?

[Pardo] I have a report that I will present to the Congressional first commission on this case. I believe it is a meaningful occasion to discuss at Congress issues of national interest, such as the future of the National Police. This is an issue that touches many sectors and I believe it is a timely occasion.

Pablo Escobar Associate Said To Retire

PA2503042893 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 24 Mar 93

[Text] Antioquia Department authorities again have assured that the Medellin Cartel's structure is weakening. They announced the retirement of Pedro Fernando Chunza Plazas, one of the few remaining trusted associates of Pablo Escobar Gaviria. Official sources reported Chunza, a former policeman who was discharged from the force for misconduct and is wanted by three military courts for murder, advised the cartel on how to make car bombs.

[Begin Oscar Fredy Paredes, director of the Administrative Department of Security, recording] We have information that indicates he retired from the narcoterrorist activities he was carrying out for the Medellin Cartel. [end recording]

The Antioquia Department authorities also released the names of the few remaining men of Pablo Escobar.

[Begin Paredes recording] There are individuals such as Jorge Pizano Santamaria; another with the alias of La Chepa; Heinen Acevedo, who escaped from prison with La Quica [Denny Munoz Mosquera]; Fernando Leon Londono Velasquez, alias Neris, who works on the financial team; and other less important members. Intelligence work has been stepped up to locate these men. [end recording]

The Antioquia Department authorities, in light of Chunza's surrender, are not ignoring the possibility that other members of the cartel may retire or surrender to justice.

* General Explains Counterinsurgency Successes

93SM0184A Santa Fe de Bogota EL TIEMPO in Spanish 28 Feb 93 p 3A

[Interview with Ramon Emilio Gil Bermudez, commander of the Armed Forces, by staff writer Edgar Tellez; place and date not given]

[Text] *The FFMM [Military Forces] commander claims that the citizens' cooperation and assistance from informers have been deciding factors in the success accrued against the guerrillas this year.*

Locating "Tirofijo" or the priest, Perez, is not his obsession.

It is not, because he considers it more important to ensure that the two legendary guerrilla chiefs are left alone; he claims that, in this way, they will be caught in some military operation, or find themselves forced to surrender to the justice system.

General Ramon Emilio Gil Bermudez, commander of the Military Forces, asserts that he is not being overly triumphalist. On the contrary, he maintains, there are very clear signs indicating that the decline of subversion is increasing every day.

The high-ranking official held a dialogue with this newspaper, including justifying the purchase of military equipment during the last decade.

[Tellez] General, according to official reports, this year the FFAA [Armed Forces] offensive has been translated into the deaths of over 250 guerrilla fighters and the capture or death of a dozen leading members of the fronts' structure. To what do you attribute these results?

[Bermudez] The country has become very clearly aware of the identities of those committing crimes and has made up its mind to repudiate these criminals and to back the Armed Forces as never before. This factor has become converted into a constant flow of information, that has helped us to use our forces efficiently and to put these criminals in a state of isolation so that, wherever they go, they are reported and pursued.

Hence, they, the subversives, are finding that they have to hide. They have been deprived of the initiative, and their opportunities for acting with impunity have been reduced. The good results have been occurring to such an extent that they are far more appreciable every day. We are quite optimistic about the future.

[Tellez] On a high government level there is some degree of perplexity about a kind of dead calm among the guerrillas, and the fact that the subversive commanders have not reappeared. What is going on?

[Bermudez] Some time ago, I would say about four or five years, these organizations reached the maximum point that they could possibly attain, and since then they have been declining, heading straight for extinction. The fact is that, since they retain a capacity for committing crime and causing damage, there is an enormous need for the Public Forces to hasten that process.

This involves hastening a process that we cannot wait to see implemented, especially with the tragic costs incurred through the use of terrorism. I would say that, sooner or later, and, really, sooner, subversion in the country must necessarily end.

Why are the ringleaders losing? Because they lost their way, and now they do not even dare mention what they are doing. Now, they do not even have the words to motivate their followers. They can hardly support these groups by motivating them based on the proceeds from looting.

Nor do they have a capacity to mobilize the masses, or to engage in action in which the people's support is evident. They have definitely lost this ability and, from a revolutionary standpoint, the existence of an organization without mass support contradicts all principles.

Now, reports are arriving, identifying their locations more exactly for us. What will happen is that, if those

ringleaders continue increasingly to lose the members of their groups and the population's support, and if we continue efficiently to locate all their organizations, these same ringleaders will find themselves casualties of our offensive.

They will have to accept the conditions that the government has proposed for the members who are willing to become reinstated in the country's normal life. It is our goal to corner, isolate, and strike them, putting them in a position where they will realize that they have no alternative but to surrender to the justice system and give up the armed struggle.

[Tellez] It appears that the phenomenon of desertion has become widespread in the guerrilla ranks, to the point where 16 of them surrendered in a single week.

[Bermudez] There are many reasons for that: the lack of a goal or an ideological basis, and the fact that they have engaged, unrestrainedly, in all types of criminal activities.

That creates many problems in an organization's leadership, because personal ambitions, which are supremely harmful, tending toward division, emerge as a principal issue.

It is there that we have found these organizations so divided, because they have had problems with members who have left them taking money, members who have tried to set up their own organization and refused to take orders, establishing their own business.

In addition, it is difficult to distribute the bloodstained money held by the subversives; therefore, the common outlaws receive only enough to feed themselves.

Because of this the outlaws are leaving all the organizations, and this is increasing every day. Yet many do not know that there are so many opportunities for leaving, for surviving, and for becoming reinstated in a normal life. But we are informing them of all those opportunities, and this has caused the ringleaders much worry. For this reason, every day we are receiving people who have left those groups and are taking refuge in the justice system.

[Tellez] Is there compliance with the decrees attempting to cut off the flow of money from the guerrillas: money coming from many contracting firms and from the government itself?

[Bermudez] I think that money is still reaching the guerrillas from various sources, but these measures have really reduced that flow considerably, and they will have to think up different methods.

And they may find them, but they will have increasingly greater difficulties. We know that this is a factor that is making the subversives desperate.

[Tellez] General, the Comptroller's Office stated in a report that, during the last decade, there was military spending without any kind of planning, and that megaprojects that brought no results were implemented.

[Bermudez] That depends on the angle from which it is viewed. But we should make it clear that the country must always have a deterrent force available, and must at all times ensure that its sovereignty and integrity are respected. We cannot handle the defense of our sovereignty irresponsibly and, from that standpoint, such spending is justified.

Our priority now is aimed at reinforcing the internal order because, at present, we are taking good care of everything related to the surveillance of our borders.

[Tellez] Do you agree with the court decision that eliminated the possibility of the FFMM's performing Judicial Police work. What consequences will it have for curbing crime?

[Bermudez] At one time we wanted to have that Judicial Police authority because, after all, when you have your own facilities, you can make more suitable use of them.

In fact, the Judicial Police activity makes a great contribution to intelligence activity, in which results are more clearly reflected. But we have now found the solution to what might be a shortcoming created by the loss of that authority: It is through the integration that we have had with the Prosecutor General's Office, which will be responsible for those functions. Therefore, I consider it all the same, and it might even be better that this has occurred.

[Tellez] General, has there been an end to the friction with the Prosecutor General's Office, and the accusations that the Public Ministry was wrecking military operations?

[Bermudez] When misunderstandings occur, certain actions cause some to feel hurt. But, from an institutional standpoint, our relations are splendid now.

What is needed is an acquired awareness, and a deepening of the understanding of what each institution is, and the purpose that it serves. However, the Prosecutor General's Office is viewed as an institution that supports and benefits our activities; and what the Prosecutor General's Office does is to indicate to us the bounds within which we must act.

* UP Plenum Focuses on Elections, Peace Talks

* Less Controversy Noted

93SM0173A Santa Fe de Bogota EL TIEMPO in Spanish 13 Feb 93 p 9A

[Article by Maria del Rosario Arrazola: "Patriotic Union Says Farewell to Controversy"]

[Text] Three years ago, each of the plenum participants (generally exceeding 600) had something to say about

combining the forms of struggle, guerrilla action, and the need for differentiating themselves from the communists.

It was not unusual, therefore, when the so-called "orthodox" faction members challenged those favoring perestroyka on the basis of some concept or other. Furthermore, in one of the last national plenary sessions, some members of the highest leadership of this group decided to resign publicly because of irreconcilable differences with the communists. "There is no room for discussion, or for change," they said.

The protagonists in this rebellion were the late Diego Montana Cuellar, Angelino Garzon, Guillermo Banguero, and Julio Santana, among others.

With the departure of these critical leaders, the communists began to take over leadership of the movement.

Those were, of course, other times, and the individuals involved, the majority of them now dead, were different.

Those who managed to survive are active in other organizations, while those who remained have been banished.

We are speaking of the Patriotic Union (UP). And the changes in its course became evident yesterday during the inauguration of its 26th National Plenum.

There were barely a hundred participants. There were no heated debates, no hurrahs were heard for the PC [Communist Party], nor were the traditional photographs of Jacobo Arenas or Marulanda to be seen anywhere.

Despite the fact that there was neither applause for nor recriminations against the guerrilla forces, the regional delegate from Uraba did indeed challenge and condemn the actions of Francisco Caraballo's group in that region.

And Aida Avella, the president of the UP, reiterated the points in the peace proposal of the party, which was drafted with a view to reestablishing the negotiations between the government and the guerrillas. The proposal speaks of bringing the dialogue to Colombia; creating a national peace council with the participation of all the social, political, and economic sectors in the country; an appeal for international mediation; and the convocation, by the president of the Republic, of an emergency meeting with all the political parties and movements participating.

But the main focus at the plenary session yesterday was on the electoral scene. Although the conclusions will not be announced until today, initial agreement was reached on the holding of an internal convocation to choose the candidate of the UP and the PC for the presidential election scheduled for 1994. This consultation is to be held next July.

The 26th Plenum will adjourn this afternoon, and the conclusions will then be announced.

* Candidate Selection Discussed

93SM0173B Santa Fe de Bogota EL ESPECTADOR in Spanish 15 Feb 93 p 5A

[Text] The tasks approved by the plenary session of the Patriotic Union (UP) held last week on the premises of the District Council will begin immediately. The gathering was adjourned by Armando Porralbo, a priest of the Colombian Orthodox Church and a member of the leadership of this political group.

The work approved includes the preparations for the internal consultation to be held to choose the candidates for government bodies and the presidency and vice presidency of the Republic, as well as the collegiate bodies and the regional administrative authorities. This responsibility will fall to a joint electoral council of the Patriotic Union and the Communist Party, in order to avoid duality in the highest electoral leadership. According to the schedule plans, the nomination of candidates will take place between 16 and 24 May of this year. The period for the acceptance of these nominations will be from the first to the 30th of June, and the internal election of candidates will be held between 9 and 20 July. The national balloting is scheduled for 5 and 6 August.

Another decision made by the plenum on which study is to begin immediately has to do with the reestablishment of the legal status of the Communist Party and the reassertion of its presence on the national scene. Among the strategies for achieving these goals is the presentation by this party of its own slate for the Senate or the Chamber of Representatives. Certainly the choice will fall to the Senate; this decision will be made during the coming months. After the internal consultation, an extraordinary plenary session will be convoked to make the decisions on everything pertaining to the slate and the campaign.

The leadership of the Patriotic Union will also work on specific points on the legislative agenda. This is a subject on which a report was presented at the plenum. Similarly, it will seek contacts in an effort to establish political alliances with democratic and independent sectors which, consistent with regional conditions, as well as those on the national level, favor a common anti-neoliberal front, dialogue, the interests of the people, and social progress.

The plenary session applauded the ruling of the Constitutional Court invalidating half of the articles in the Concordat, because it views this decision as an action in defense of our national sovereignty. The plenum also appointed a commission to visit Mario Upegui, the imprisoned Bogota City Council member. A collection was also taken up among those present to provide economic aid to this legislator who has been deprived of his freedom because of the notorious assistance case.

Similarly, the plenum sent greetings to all political prisoners and demanded improvement in the conditions under which they are incarcerated. The plenum hailed

the denunciation put forth by the leader of the National Liberation Army, Francisco Galan, who is currently in custody. It also appealed for a halt in the clashes between the guerrilla group headed by Francisco Caraballo and the demobilized members of Esperanza, Paz, y Libertad (Hope, Peace, and Liberty). The plenary session of the UP urged these forces to seek agreement through dialogue.

The plenum condemned the decision of the multinational companies trading in bananas to reduce purchases of the product, and it warned of the serious consequences this measure will entail for regions like Uraba.

It also issued an appeal to the government and the CNG [National Guerrilla Coordinating Group], urging resumption of the peace talks and recalling the real willingness evidenced by international bodies, former presidents themselves, and the Catholic hierarchy to contribute to the resumption and pursuit of the dialogue with a view to a successful conclusion.

The plenum also warned that the policy of total war has entered a crisis stage, because it has not led to any solution.

* Call for Peace Dialogue

93SM0173C Santa Fe de Bogota EL TIEMPO in Spanish 16 Feb 93 p 6A

[Excerpt] The Patriotic Union (UP) has issued an appeal to both the government and the National Guerrilla Coordinating Group, urging the resumption, as soon as possible, of the peace talks suspended last May.

In fact, at the 26th National Plenum of the Patriotic Union held during the weekend in Bogota, the party also appealed to President Cesar Gaviria to convoke an immediate meeting with the political movements and parties represented in the Congress to discuss a proposed agenda and regulations to govern the dialogue.

Similarly, it was agreed that if the peace process is resumed, there should be an international inspection team, and that it should be made up of Nobel Prize winners Adolfo Perez Esquivel and Rigoberta Menchu; Javier Perez de Cuellar, former secretary of the United Nations (UN); Oscar Arias Perez, former president of Costa Rica; and a representative of the Vatican.

This is not the first time leftist sectors have urged that the peace process be resumed. During a meeting of the Central Committee of the Communist Party held last January, the executive branch and the CNG were asked to issue a statement to the effect that they were willing to sit down at the negotiation table to work out agreements leading "to a definitive end to the armed struggle."

The plenum also insisted on the need to provide the guerrilla movement with guarantees to ensure its incorporation in the political and social life of the country.

"Discussion of the agenda," the statement issued by the communists said, "should continue until it is completed. However, partial agreements on its contents should be accepted, and they should not be made conditional upon overall general agreement."

EL TIEMPO has been able to establish that the Guerrilla Coordinating Group is planning to send a statement to this effect to the forum on human rights to be held in Bogota next weekend.

Apparently, it plans to propose resumption of the talks under certain conditions and to set forth some points for inclusion in the agenda. [passage omitted]

Ecuador

President Duran-Ballen Discusses Issues

PY2503022893 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 0156 GMT 24 Mar 93

["Exclusive" interview with President Sixto Duran-Ballen by Benjamin Fernandez Bogado from "Our Republic" program, in Government House in Quito on 19 March—recorded]

[Excerpts] [passage omitted] [Fernandez] It is a pleasure for us to have been invited to interview you here in your office in Quito, especially because it is not usual for us in the southern hemisphere to see the face and listen to the thoughts of a president of Ecuador. We are very interested in an aspect of Latin American democracies that are facing challenges that must be solved urgently. Urgent problems like poverty, abjection, and corruption. How do you think our democracies should respond to these problems, and with what haste?

[Duran-Ballen] First let me thank you for your visit and for this interview. [passage omitted] The problem you just mentioned is very real, and it is one of the concerns of my administration. Today, on 19 March, we signed, that is, my whole cabinet and myself, signed a decree creating a social emergency fund. It is an investment fund to help solve problems like the ones you mentioned of extreme poverty, to create more jobs, to really make the majority of the people participate. You could ask yourself why didn't I do this before? Why didn't I start this before? The answer is because I received a country that could hardly pay its debts on time with what was left from previous administrations. Through very strict measures we have had to put the country in order, and just recently we began to attack problems like the ones you mentioned. We will also attack corruption. We are working toward that objective. I have tried to form a first class team. I am trying to set an example myself. As president of the Republic, I must not commit abuses. I must not abuse state services. You can see for yourself. On weekends I use my private car, a van I purchased 7 or 8 years ago.

[Fernandez] You say that one must preach by setting an example to allow people to recover their credibility in the institutions and in men. Don't you think that the most obvious sign of democracy's failure in Latin America is that politicians don't practice what they preach?

[Duran-Ballen] I don't think we should generalize to that point. Without doubt, the economic deterioration of our country is precisely owed to that: not practicing what was preached during the campaign. That is what I am doing. I am practicing what I promised. My administration is complying with its campaign promises.

[Fernandez] Why do you think that there is a belief in Latin America and in some governments that the government is a war bounty that politicians desire so much?

[Duran-Ballen] Well, the reasons for this would take very long to find out, but it is a reality and it is one of the things that has not allowed our continent to develop as it should have. In our own country, the resources we once had thanks to the great income we obtained first from the production of bananas and then of oil, has only served to greatly increase bureaucracy without any need; that is, not only was stealing a problem but the fact that bureaucracy increased unnecessarily is already an abuse of power. Perhaps that indiscriminate hiring of public employees in exchange for political favors has created a class of people who think that one does not just serve from a public post but also commits abuses. This is one of the things I am trying to change. I am trying to reduce the state apparatus to make it more efficient. And to make it more efficient we must end corruption.

[Fernandez] All these ideas are related to the reform measures you have just put forward. Upon my arrival from Asuncion this morning, I asked a taxi driver for his opinion of the president. He answered that the president is a neoliberal who does not care a straw about the people. Why is it, then, that the people cannot grasp the importance of such an undertaking and find it hard to believe that the country's prosperity is dependent on the state's reform?

[Duran-Ballen] Well, I do not think that that taxi driver's opinion reflects what the whole country feels, because the little or much that I have accomplished throughout my life—and I have devoted many years of my life to politics—is precisely to have served the people. Why don't you ask other taxi drivers about my administration as Quito mayor? What I did in my capacity as Quito mayor is just the opposite—to be concerned about improving the conditions for the many. I supplied marginal neighborhoods and poor districts with running water and electricity and had their streets paved.

[Fernandez] Why do you think then that those who propound economic reforms and the privatization of those state-owned enterprises that are obsolete, in the red, and encumbered with red tape becomes quote, an enemy of the people, unquote?

[Duran-Ballen] I think that is the work of those who oppose economic reforms. I can cite an odd thing that happened at the beginning of my term in office. I met with trade union leaders, who requested among other things that I should put the telephone service back in working order, because it did not work, that I should provide medical care for all workers, something they were entitled to, i.e. low-income people themselves—workers, factory workers, employees—asked me at the beginning of my administration to put things right so that the state may provide them with the services they needed. Now that I am fulfilling the promises I made, in the first place, and implementing the reforms they requested, trade union leaders have united to protest against what they themselves had previously requested. Therefore, I should say that certain trade union leaders have decided to take the easy way out, having realized that trade union leaders from the government sector have launched this agitation to save their own skin. The trade union leaders in question are afraid of losing their posts in the union leadership and, therefore, they side with public sector unions to continue being in the union leadership and yet their concern is not genuine. You may ask anyone whether he is satisfied with health or social services. He will answer negatively. You may ask any Ecuadorean whether he is satisfied with the way he is attended when he requests, let us say, that his telephone be repaired. Only this morning I tried to telephone the vice president and I could not get through because my direct telephone line with him was out of order! Sometimes it is out of order for three or four days. Just fancy! Given the post we hold, the service will be surely repaired in two or three days. Now, you may ask any other subscriber and he will tell you that it takes between one and two months to have his telephone repaired, not to mention the time a person has to wait to have a new telephone connection installed! Without going too far, even to pay taxes at a given ministry is cumbersome. Perhaps you know from experience that this is just so. Thus, this opposition to whomever wants the state to be efficient—who is then called an enemy of the people—is just a way to protect the vested interest of the few. I am pretty sure that should you conduct a public opinion poll, the majority of the people would be in favor of the state's modernization. I would like to call your attention here, because one of the wiles of the opposition is to make the common run of people believe that modernization is tantamount to privatization. I have always been very frank and honest with my people since my election campaign. I have said again and again that we can modernize the state by means of four channels. First, to streamline government agencies so that they may have the same efficiency as private companies have. This bears no relation to privatization programs. We have to streamline the Presidency of the Republic so that it can serve its purpose. We are not going to privatize it; we cannot and should not privatize it. Second, there are certain services that have to be improved, but the government does not have enough financial resources to meet that expense. And yet, the government has invested in those services for many years so it has tangible assets

at its disposal. Therefore, I have spoken about a government's presence in the sense that it can be a partner in a mixed enterprise, in which the government and the private sector will be the shareholders and the ownership of the stocks will be proportional to the capital they have both invested in the company. This, again, is not privatization. The mixed enterprise, however, must be administered in such a way that it is as efficient as a private company. Third, I have said that some government services may be transferred to the private sector so that while remaining within the government's control, they will be managed by private companies. We even have some that function like this. Fourth, the privatization of government services per se by means of clear rules of the game. I have repeatedly spoken about modernization. This is the reason why I submitted to Congress a bill on modernization, rather than privatization, of government services. It goes without saying that it includes the privatization of state-owned enterprises but does not only provide for privatizations. Likewise, the agency that is studying this issue, namely the National Modernization Council, Conam, should have been named Conap, National Privatization Council, if I had wanted to stress the privatization issue. Again, privatization is just one of the possible means of achieving modernization. Notwithstanding this, the opposition has concocted that my only aspiration is to go ahead with my privatization plan. [passage omitted]

[Fernandez] What does the word integration suggest to you, the Andean Pact, Mercosur [Common Market of the South], NAFTA [North American Free Trade Agreement], the EC?

[Duran-Ballen] Not only that but much more. You must recall that I was one of the founding members of the Inter-American Development Bank [IDB]. More than 30 years ago, Felipe Herrera, that illustrious citizen of Chile, and indeed of the Americas, who was the founding father of the cited organization, cherished the hope that the countries of the hemisphere would achieve integration. It is to be regretted, however, that instead of erecting a monument in honor of Herrera in every Latin American country to express our gratitude to him for having established the IDB, a most valuable instrument to promote the development of all countries of the hemisphere, his memory soon fell into oblivion. As I said, Herrera spoke of the need to achieve hemispheric integration. Sad to say, we have delayed a long time in doing so, even in Europe, where it has finally dawned on European countries that their future depends on European integration through the EC. The fact that they have taken a false step with regard to our bananas is another question, which is definitely a wrong move by the EC. Their efforts to achieve economic integration is a very praiseworthy endeavor, however, and we must try to emulate them. This does not mean, of course, that we will impose restrictions similar to the ones the EC imposed on our exports of bananas. Over a short span of time, however, we have achieved very positive results in laying the foundations of Ecuadoran-Colombian integration. We have also started a similar process with Venezuela. I am certain that in the near future Ecuador will join the G-3—Colombia, Venezuela, and Mexico—so that it will become the G-4. These, with other integration efforts that are taking place in the southernmost tip of Latin America, are proof that even though we made a great show of reluctance,—and indeed all the countries in the region did, as we mistakenly believed that integration would hamper our freedom of action—we will soon be able to attain a genuine integration of Latin America. [passage omitted]

Peru

Ex-President Confirmed as APRA Secretary General

PA2403174993 Madrid EFE in Spanish 1553 GMT 24 Mar 93

[Text] Lima, 24 Mar (EFE)—Peru's American Popular Revolutionary Alliance (APRA) on 24 March confirmed former President Alan Garcia, who is exiled in Colombia, as the party's secretary general.

The party appointed a "temporary secretariat" formed by eight members to replace Mercedes Cabanillas, executive assistant secretary of the renewal faction, who must be replaced within 60 days.

At a news conference on 23 March, Cabanillas, a former senator and former education minister during Garcia's administration, confirmed her resignation and reproached the APRA leadership, which is comprised mostly by supporters of former president Garcia, for lacking the resolve to achieve either political or ideological renewal.

In her letter of resignation, the former minister pointed out that APRA's National Executive Committee has openly opposed a review of its members proposed by Cabanillas which, in her opinion, would have allowed "the elimination of bad elements."

Political commentators agreed on 24 March that the party's rank and file could request the resignations of Alan Garcia and the Executive Committee and at a congress elect new leaders from among the younger members.

Garcia Ratified as APRA Secretary General

PA2503022393 Lima Global de Television Network in Spanish 0000 GMT 25 Mar 93

[Text] Luis Alvarado Conteras, a leader of the American Popular Revolutionary Alliance, APRA, stated there is no need to declare the party in a state of emergency. He also denied reports that the party's general membership made such a recommendation.

[Begin Alvarado recording] The party's general membership have not mentioned or proposed declaring the

organization in a state of emergency. Their positions are presented at the party's organizational meetings every week.

Alan Garcia has been ratified as the party's secretary general in exile. In response to the resignation of Mercedes Cabanillas, we have appointed three representatives of the APRA Political Commission and five representatives of the National Executive Committee to preside over what we have called a Temporary National Secretariat [Secretariado Nacional Transitorio]. Luis Alberto Sanchez will be the president of the body, which will have a 60-day mandate. [end recording]

Blank, Defaced Votes Not To Be Valid in Presidential Elections

PA2403181893 Lima Radio Programas del Peru Network in Spanish 1700 GMT 24 Mar 93

[Report by Eduardo Lindo Collantes]

[Text] All blank or defaced votes will not be considered valid when votes to elect the president of the Republic are being counted. This was decided by the Peruvian Congress' Constitution Committee. This decision is included in Article Three of the chapter on the Executive Branch. Congressman Jose Barba Caballero, leader of the Democratic Coordinating Group, says this decision is contrary to the will of the people.

[Begin recording] [Barba] I can vote as I please. I can vote for an alternative. I can deface my vote, or I can simply cast a blank vote. They are thinking about reelection and that is why they approved this measure. This decision is against the rights of the people.

[Unidentified reporter] How will this affect the next elections?

[Barba] They will be giving the future candidate approximately 17 percent of the votes. Between 15 and 20 percent of the votes usually cast are either blank, null, or defaced. That is exactly what they are giving the future candidate. [end recording]

During the Constitution Committee meeting, presided over by Carlos Torres y Torres Lara, five new articles on the Executive Branch were approved. The committee ratified that the president will remain in office for a five-year term. It also abolished the office of the second vice president.

Executive Branch Allowed To Partially Promulgate Laws

PY2403234393 Lima EL COMERCIO in Spanish 12 Mar 93 p A4

[Excerpts] The Constituent Congress Constitutional Commission yesterday approved as one of the powers of the Executive Branch—within the project of a new constitution—the possibility of partially promulgating any law, including the General Law on Public Budget. [passage omitted]

The new constitutional rule adds that the chief of state can promulgate "any law" in the part where he does not object, and he can return to Congress any part of which he objects. It is still in effect the requirement that more than one-half of the legal number of Congressional members must vote to insist on the original draft bill to defeat the presidential observations. [passage omitted]

Other innovations included in the chapter referring to the legislative branch refer to the fact that Congress can suspend any public official who is accused of irregularities, or ban him from his public post for up to 10 years. In the case of a constitutional accusation, the prosecutor has a five-day period to submit the denunciation to the Supreme Court to start proceedings.

Neither the prosecutor's accusation nor the opening of procedures can exceed or reduce the scope of the constitutional accusation approved by the National Congress.

In addition to the congressmen and the president of the Republic, the following institutions also have the right to propose a law: the Supreme Court, the Office of the Attorney General, the national electoral board, the provincial town councils, and the regional governments. A law will establish the number of signatures necessary to propose a draft law.

Peasants Said Enticed by Traffickers To Plant Coca

PY2403140393 Lima EL COMERCIO in Spanish 14 Mar 93 p A14

[Text] Humble peasants who grow fruit and other basic crops in the coca zones of Ucayali and Huallaga are being enticed by the mafia of drug traffickers to plant coca and help service the 'narco' planes that use the region.

It has been confirmed that for considerable sums of money, up to $20,000, peasants are being encouraged to remove their homes from alongside highways, like the "Federico Basadre" highway, enabling them to be used as clandestine landing strips.

A spokesman of the Ucayali Front has reported that townspeople from Aguaytia, between Tingo Maria and Pucallpa, have cleared a stretch of 800 meters along that highway to allow the landing of planes.

Two stretches of the "Federico Basadre" highway that had been made available by clearing brush wood and trees were discovered and decommissioned on 21 and 22 February.

This was made possible through coordinated action by the 6th Air Force Region, the Navy, and the Upper Huallaga Coca Control and Reduction Agency (Corah).

They installed 15 concrete blocks, each with a 1 meter deep foundation capable of holding up a seven-story building.

However, 5 km from Aguaytia, the local townspeople have been forced to cut and burn trees to widen the highway by 20 meters on each side.

In view of this, the 6th Air Force Region has reported that it will implement Decree Law 25426, which states that the control of airports and landing strips in the Upper Huallaga and other areas comes under the control of the FAP [Peruvian Air Force].

Sources from Campanilla reported that a few months ago a road that joins the marginal highway was used by Colombian drug traffickers as a landing strip until it was rendered useless by the installation of 1,000-kg cement blocks.

The trafficking mafia pay large amounts of money to the townspeople to remove these obstacles at night and replace them early in the morning.

Some townspeople were involved in this task, but not those involved in the rice plantations.

Finally, sources from Pucallpa, Requena, and the Biabo Valley have reported that traffickers avoid the control imposed by the forces of order by using the highways and fast boats on the Ucayali and Huallaga rivers to carry out their illegal transactions.

Government To Sue U.S. Banks for Complicity in Navy Fraud

PA2403211093 Lima Global de Television Network in Spanish 0239 GMT 24 Mar 93

[Text] Gilberto Siura, president of the congressional defense committee, has stated that the Peruvian Government will sue U.S. banks for complicity in fraud and theft of Peruvian Navy funds.

[Begin recording] [Siura] Preparations are already under way to sue the U.S. banks involved in Villagarcia's embezzlement case.

[Unidentified reporter] [words indistinct] as accomplices?

[Siura] That is correct, because the bank officers directly participated in every stage of the embezzlement that Villagarcia has been carrying out for years.

[Reporter] [question indistinct]?

[Siura] The American Security Bank, the Potomac Bank, and the [word indistinct] National. We are evaluating the procedures. We have taken note of an observation made by (Dr. Arias Schereiber) [not further identified] that this process was begun by federal authorities and that it was a mistake because District of Columbia authorities should have initiated the investigation. An analysis of that procedure shows that it was a mistake because it would allow Villagarcia to be charged only with crimes against the United States, not against the Peruvian Government. To sum up, so far it appears as if the Peruvian Government has never charged Villagarcia with theft. [end recording]

Commentary Criticizes U.S. 'Interventionism'

PY2403232593 Lima EXPRESO in Spanish 15 Mar 93 p A23

[Commentary by Patricio Ricketts Rey de Castro: "Political Intervention"]

[Text] If we are to believe the press bulletin from the United States Information Service (USIS), which was signed in Washington by editor Eric Green on 12 March, the current U.S. pressure on Peru—based on the alleged systematic violation of human rights—has a blatantly political objective.

The 56 lines of the document do not include a single—not even an indirect—reference to human rights violations in Peru. Activist Coletta Youngers and Carol Graham, of Washington's Brookings Institution, believe, however, that—as Green put it—"the United States must exert pressure on Fujimori." Why? To mitigate human rights violations? No. "To restore the constitutional regime;" that is, to return to the situation prevailing on 4 April.

Youngers and Graham could not care less about the opinion of 10 million Peruvians, who voted in November to create a Constituent Congress. They do not care about what we think or what the OAS [Organization of American States] admitted after a long and diligent study of the Peruvian situation. The new game is to pressure...

Results Without a Strategy?

...and also to voice opinions. The U.S. Congressional Investigation Service maintains that "Peru does not yet have any strategy to fight the insurgents" of the Shining Path. We wonder: How has Peru obtained results without a strategy? Didn't Washington learn about the arrest of Abimael Guzman as well as almost the entire Shining Path leadership, about the seizure of the organization's files and about the virtual disintegration of the MRTA [Tupac Amaru Revolutionary Movement] after the arrest of its leaders and the seizure of its documents?

This is a bizarre assertion. The source admits that "violence has remarkably diminished" after the arrest of Guzman. Yet Congressman Robert Toricelli (Democratic Party, New Jersey) thinks—by virtue of his own position—that "unfortunately, the atmosphere is still favorable for the Shining Path to regroup and expand." What are the grounds for such nonsense? Cavanagh's professionally alarmist attitude? Has Torricelli visited Peru? Did he make an in-depth study of the armed

struggle? Is he aware of the consolidation and multiplication of the self-defense patrols, of the people's unanimous support for cleanup operations in Lima amd in other cities, and of the frequent desertion of many terrorists who turn themselves over to the authorities? If he does not understand that all this—and much more—is not only a strategy but the key to a victory that the United States has neither supported nor even expected, why does Torricelli dare give an opinion? Doesn't he know the meaning of ridicule?

One Supporter

USIS does not know the meaning of ridicule either. In the bulletin, USIS reports that "a group of Peruvian experts have urged the Clinton administration to continue to keep the pressure on the Fujimori administration, so that the Constitutional government that was suspended last year is completely restored." Rather than preserving human rights, the real objective is to return to the situation prevailing on 4 April.

And who are the members of that "group of experts?" Eric Greene quotes Felipe Ortiz de Zeballos, whose opinion favors the U.S. support for the national effort to consolidate democracy. At the end, everything focuses on the opinion of Peruvian Francisco Sagasti, who has apparently been "encouraged" by U.S. interventionism.

Mr. Sagasti may think whatever he wants. Yet evidence proves that two-thirds of Peruvians do not agree with him and that they believe Washington's interventionists are using unacceptable demands and inappropriate methods. Consequently, Mr. Torricelli, rather than the Shining Path, it is the rejection of the Empire that will regroup and expand.

Uruguay

Lacalle Delivers State of the Nation Address 15 Mar

PY2503005793 Montevideo LA MANANA in Spanish 16 Mar 93 pp 3-5

[State of the nation address to Congress by President Luis Alberto Lacalle to open the annual legislature period on 15 March]

[Excerpts] In compliance with the appropriate constitutional provision, I have the honor of presenting to Congress the 1992 Executive Branch message. The task carried out is contained in the message that I will read to this body and in the document annexes that are in the hands of the legislators. These annexes describe and evaluate—in greater detail and more thoroughly—the results achieved during the aforementioned period. [passage omitted]

Three years after our government was inaugurated, we may say that today we are part of a better and more prosperous society, a society that enjoys a better standard of living, that is freer, more just and with more solidarity, more efficient and developed, and facing a better future.

A More Prosperous Society

This is a more prosperous society because it is wealthier. In 1992, the society's wealth, called gross domestic product [GDP], grew 7 percent. After three years of the current administration, it grew 10 percent. The people's participation in this increased wealth is notable. Comparing 1991 with 1992, the numbers indicate a substantial improvement of real family income, which exceeds 12 percent. This improvement involves both low-income families, whose income grew 8.78 percent between 1989 and 1992, and high-income families, whose income grew 8.68 percent.

Growth represents an imperative for a nation like ours. Thus, investment, our exports, and our development possibilities have grown.

Concerning salaries, it is appropriate to point out that, during 1992, real salaries grew 2 percent and private company salaries grew 4 percent. A small decline, which has been reversed since 1 January, in the average public servant salaries was reported. Gauged in dollars, salaries grew 15 percent in 1992.

It is appropriate to note that salary improvements, along with improvements in retirement payments, represent effective wealth distribution mechanisms. Thus, economic growth is transferred to the entire society, a fact that has been proven by a notable consumption increase in every field.

The citizens who have retired and collect pensions and retirement pay—more than 450,000 people—have received a real 20 percent increase per annum in their payments. This represents the most substantial change in the distribution of wealth in our Republic in the past 30 years.

We are living in a safer society, especially because it is steadfastly freeing itself from the worst deterioration and the worst tax, namely inflation. Inflation especially punishes wage earners, but has a bearing on all activities in our country.

High interest rates prevented investment, eroded confidence, and conspired against our society's labor possibilities.

To reduce inflation means to be able to trust in the future. This was done by our parents, for whom savings was a possible target. Our generation already grew up amidst the unhealthy impact of monetary deterioration. Through fiscal adjustment, we were able to prevent the disaster of hyperinflation, but we have not yet completed our task. Today we confirm that pursuing this path of social health is a priority for the Executive Branch.

Society is also safer even though the increase in income has remained at traditionally acceptable levels. The unemployment rate has also been stable because we have established a labor policy of firmness and nonconfrontation. There have been less labor conflicts in the private sector thanks to the fact that the parties involved in the conflicts abandoned the sterile criteria of the class struggle and thanks to the fact that the Executive Branch has granted more freedom.

This is a better and safer society because we have made an unprecedented effort to support the Interior Ministry by equipping it with more than 900 vehicles and 1,500 radio transmitters, and salaries have also been improved. Of course, this is not enough. The Executive Branch hereby wants to reiterate its interest in the approval of important laws that are being debated in Congress and which entice the enforcement of selective security measures, the elimination of release on parole, and legal support for police action. The quick approval of these laws would be a clear signal of our political will to confront crime.

We have a safer society, since in the field of national defense we have begun a restructuring and better defined responsibilities. The definition of the role of the Armed Forces must not mean its transformation into something different from what it is now; but on the contrary, it means making self-criticism to then make decisions to improve and make the work of the Army, Air Force, and Navy compatible with the times. We must point out our achievement in defining a salary policy—already approved by Congress—for the Armed Force linked with the concept of total dedication. We must also create the legal conditions for an eventual action of the Armed Forces in the national territory. The legislative branch will this week receive a draft bill remedying this void.

We have a society with a more stable future for the pensioners given that the norms to improve the social security system were approved despite lengthy procedures. Fiscal reform sponsored by the Executive Branch could not be approved in 1992. We maintain that this is one of the most important problems of the country that affects everyone without exceptions. [passage omitted]

We have a more solid society in another aspect: Finances. At the beginning of this administration the country faced a serious public deficit whose financing forced us to increase our debt and to issue money without backing.

Thanks to the effort made by the whole society, we have reduced money issuance in 1992 to a level below 1 percent [unit not specified], mainly benefiting directly those citizens who live on a fixed income, like workers and pensioners, and who are the most affected by inflation.

We have a safer society for the future because we have reduced our net foreign debt from $3.244 billion by the end of 1989 to $2.194 billion now. This means our indebtedness has dropped from 40 percent of our GDP in 1989 to 19 percent today. Thanks to this reduction, future generations will not have to endure an unbearable foreign debt. [passage omitted]

Our country has promoted in international forums the creation of the so-called Common Market of Knowledge, which has been successfully established within the framework of the OAS and whose headquarters will be in our country. The purpose will be to break the negative trend of the flight of students from the south to highly specialized centers in the north by bringing to our students study conditions so that they will not emigrate without ever returning.

This initiative, which will be developed beyond our term in government, has been accepted by the Ibero-American community, and it has the support of the UNESCO. This demonstrates that Uruguayan imagination and initiative continue to stand out in the international scene.

We have a society with better health standards. In three years we spent more than $40 million in the health field. [passage omitted]

In the field of border relations, we have jointly worked with Brazilian officials to monitor the environmental damage that may eventually be done by the industries located in that neighboring country. Within this framework, we must point out that we signed the first bilateral treaty with Brazil about transborder pollution, which is a juridical novelty in the continent. [passage omitted]

Strong Social Investment

A more just and united society because it has effectively chosen social investment as a national objective, better said, an objective that transcends the government. Funds allocated for education which in 1989 amounted to 10 percent of the budget this year will amount to 20 percent; that is, it will go from $180 to $300 million, the largest amount in Uruguayan history. The Social Investments Program designed to build lyceums, schools, polyclinics, and homes for the elderly in the most needy regions and neighborhoods this year will dedicate more than 25 buildings. [passage omitted]

A more efficient and developed society. This Congress opportunely approved an amendment to the port law, which is emblematic of the subject. The implementation of this law allowed a savings of 25 percent of the port enterprise budget, a 40 percent reduction in port taxes, increased handling of containers at port by 21 percent, and reduced the unloading capacity of 700 tons from 78 to 34 hours.

It also opens the prospects that all Uruguayan ports, but particularly the Nueva Palmira and Montevideo ports, may become involved in the integration project.

A more efficient and developed society that has allocated unprecedented resources—$24 million—to the mayorships of the interior through the transference of machinery to be used for the construction of various projects. [passage omitted]

We Promote Confidence and Investments

[Passage omitted] The purchase of equipment and capital goods in 1992 alone has surpassed by 24 percent that acquired in 1991. This reveals a will to produce and carry out an indispensable reconversion of the industrial apparatus.

The drop experienced by deposit rates from 110 percent in 1990 to 78 percent in May 1992 and to 38 percent now is a clear sign that we can hope for stability.

But other decisions, such as the one to join Mercosur [Common Market of the South], within the framework of a state policy that was endorsed by the republic's political structure, is another sign that we can hope for better days. To become integrated with our neighboring countries, adapting to the modern forms of production, modifying above all our cultural and mental categories, reaching a transformation of the state structures to the productive forms, in both the business and labor aspects, is, fellow countrymen, the most important task that lies ahead of us. This will be the greatest transformation that will take place in our country since it became an independent nation. We hope that the legislative branch will soon approve the still pending draft bill on the Brasilia Protocol to solve the disagreements within Mercosur.

Gentlemen: We have proven that our society can change and is changing: more assets, greater activities, new opportunities are surfacing for us. The government must lead this process, but this will only be possible if our society has confidence in itself. We have overcome stagnation. Therefore, there is no reason why we should not believe better days lie ahead of us. [passage omitted]

It is Feasible To Govern

[Passage omitted] We are aware that the effort made has yielded results. We are also aware, however, that the country still requires deep-rooted structural changes to safeguard our achievements in a competitive and dynamic world. This, in turn, requires that the society as a whole and those who represent it politically become aware of the need for those changes and that they have the will to start them to relieve the productive sectors of the burden that financing such a heavy structure represents.

This, fellow countrymen, is the opinion of the Executive Branch, the president of the Republic, the ministers who, with a patriotic determination, day by day, conduct a complex administration that is, many a times, slow and, at times, burdened by an inertia that is hard to modify. [passage omitted]

Today, in my capacity as president of the Republic—but more than anything in my capacity as head of a family who has the duty to guide—allow me to make an appeal to all legislators, to all political leaders, that in a positive patriotic attitude they regard as an achievement of the entire society, of the entire country, and not of the party that circumstantially governs, the achievements and progress that, regardless of any discrepancies, were made during these past years. Let us regard them as an achievement of the entire society and not as a partisan achievement.

Probably all our fellow countrymen agree on this. Let us spare our strength to seek the path that will allow us to achieve more, to excel, and thus we will be able to turn the democratic government's action into something really positive. This is what we interpreted and planned right from the very day we decided to devote ourselves to the public service. And we hope to be able to continue doing so until we complete the mandate opportunely entrusted to us by the citizenry.

Laicalle To Issue "Executive Order"to Armed Forces

PY2403213093 Montevideo BUSQUEDA in Spanish 18 Mar 93 p 1

[Text] President Luis Alberto Lacalle will issue in late March or early April an "executive order" recommending to the Armed Forces the start of "a process of internal evaluation" "to adapt themselves to a different international scene than the one for which they were prepared."

BUSQUEDA was able to learn from official sources that the president's intention is already known by the commanders of the three branches of the Armed Forces and their generals who have "already held meetings to exchange ideas."

In his 17 March news conference Economy Minister Ignacio de Posadas said that the president proposed a reorganization plan of the Armed Forces for the "creation of an institution with greater technical know-how, higher salaries, and smaller size by concentrating on the reduction of noncombatant members." Posadas also announced that the funds for the purchase of Defense Ministry equipment will be replaced "by international voluntary contributions."

In his speech to Congress on 15 March, President Lacalle said that the redefinition of the role of the Armed Forces "does not mean under any circumstances that they will be transformed into a different institution but rather it will mean self-criticism and later decisions to improve and adjust" their tasks "to the current times."

According to official figures obtained by BUSQUEDA the positions assigned to the Defense Ministry from 1990 to 1992 were reduced from 42,468 (34,735 occupied and 7,733 vacant) to 32,716 (30,261 occupied and 2,455 vacant).

In his speech Lacalle said: "It is necessary to create the juridical conditions for eventual participation of the

Armed Forces in internal matters." He also announced that "this week the legislative branch will receive the bill to fill that vacuum."

Vice President Cited on Political Situation

PY2403214493 Montevideo BUSQUEDA in Spanish 18 Mar 93 pp 5, 16

[Text] And who will give a chair to the minister?

This question was posed by Vice President Gonzalo Aguirre, the leader of the Renewal and Victory Movement [MRV], the morning of 16 March. It was directed at some of his party members to allow Pedro Saravia, who was already appointed minister of agriculture and fishing, to hold a position in one of the movement's wings as a way to confirm that Saravia continued to support the group and also that the MRV would not declare war on the government.

But for some leaders of the movement who were with Aguirre during his news conference to explain the reason for the movement's withdrawal from the cabinet, Aguirre's question already had been answered: "The chair was already given by Lacalle."

Despite the decision made by the MRV, Saravia was installed as minister a few hours later, accepting a personal offer from President Lacalle but without compromising the movement's political responsibility. Aguirre admitted to BUSQUEDA that a "heterodox political solution" was reached.

Aguirre recalled that after the government's defeat in the 13 December plebiscite he proposed to President Lacalle a new strategy that would give "a new government image" because under this situation "a way out (...) is found by changing men, setting up bridges to the opposition, and not closing doors."

Aguirre added that the rupture of the National Party alliance in the government "was not caused by our movement." He asked: "What was more important, the presence of a minister or of the entire party in the government?" Aguirre criticized the economic team, calling it "inflexible."

Aguirre said: "The change of image and political rythm that our government had to carry out became very difficult to do with a minister (Ignacio de Posadas) who was honestly and firmly convinced of the excellence of his administration and who has, as is well known, a strong personality, and adapts very little to the ideas of those who do not think exactly like him," and of those like us "who have supported, from within the party, and with sacrifices, the entire government administration."

Aguirre also said he had not requested the replacement of Central Bank President Ramon Diaz, whose administration he praised. He said: "He did an excellent job within his strict professionl tasks (...) because the Central Bank (...) is going through its most solid financial stage since it was created (1967)."

Aguirre, whose political views have created disagreements in his movement, was accompanied by several leaders, including former Agriculture Minister Alvaro Ramos, who two weeks ago refused to answer if he would vote for Aguirre to become presidential candidate for the next elections."

Aguirre told BUSQUEDA: "I will not deny there are some people with more enthusiam than others. I have been surrounded by all the movement's leaders and the speculation about different sectors (within the MRV) was not seen here.

Aguirre added: "We were part of the government from 1 March 1990 to 10 March 1993, and we cooperated without hesitation or a single fault with the Executive and legislative branches and with the state companies. During that period there was not a single event nor a single action in which the leaders of the movement made difficulties against the government action or that they voted against any government decision."

Aguirre said that after the referendum was held on the law of public companies, which he called "an important political event" and in which 72 percent of the people voted against the law that was strongly supported by the government, "a new political time (....) came to life."

He added: "It was in that situation that we proposed changes to try to create a new government image by changing styles and procedures. This required personnel changes, not for personal reasons but due to an undeniable political need because it is impossible to change an image if the men and procedures remain the same."

He said: "We believed then that in all political crises, when the winds are blowing in the face of the government, it is normal to change officials and to expand the political base." Aguirre recalled that in 1916 and in a similar situation the Batlleist Movement [Colorado Party movement] asked National Party member Martin C. Martinez to take over the Finance Ministry.

Aguirre said he shares the idea that ministers "are like fuses." He asked: "What could be better, the presence of a minister or of the entire party in the government?" He added: "The MRV and the National Rocha Movement in the government were the image of party unity, and that was more important than the presence of a minister."

Aguirre also said that he rejected "the accusation that we made proposals to the government with an electoralist objective and to get a different political profile," because "what we proposed is that as leaders we had the duty to preserve the party legacy and to maintain in the ballot boxes the possibility of taking over the government or an option of change and not just one more party."

Aguirre made President Lacalle responsible for several unfulfilled agreements related to the replacement of "some ministers," the correction of the salary policy, and the continuity of the National Party leadership. He

also denied that former Minister Ramos "left (the cabinet) for personal reasons (...) but he was tired of confrontations, and not finding understanding with his clear proposals by the economic team."

Aguirre explained: "These events lead to a wearing down, to a cooling down of relations, and to the verification that no matter how well inspired the proposals were, they were not received the way they should be, when the proposals came from people like us who always cooperated with the government. The current crisis was not caused by us who patiently waited and sought all instances to find a solution. It was the president who nine days ago began a process before Pereyra [Carlos Julio Pereyra, National Rocha Movement leader] that lead immediately to the resignation of the transportation minister. This forced us to state our position in view of that situation and to reach a decision we did not want."

Aguirre also said that there was "little room for disagreement, for negotiations, and for agreement within the government, that the ideas of the economic team were inflexible."

He added: "Therefore, the option was the same as in the last three years: give in to those ideas and bear the corresponding political responsibility, or point out the difference and let the responsibility fall only on those who really run the government."

Aguirre said that he will not fail in his political and institutional duties "entrusted by the people," but he explained that "in our institutional system the vice president is not part of the government."

Opposition Reacts to Split of Blanco Party Coalition

PY2403223093 Montevideo BUSQUEDA in Spanish 18 Mar 93 p 3

[Excerpts] The split of the ruling Blanco Party coalition has prompted a cautious attitude among political and union opposition groups, the main leaders of which seem to have adopted a position of "governability," taking as true the government theory that the strength of the Executive Branch lies in its own weakness.

Shortly after leaving the office of president, Luis Alberto Lacalle, the National Rocha Movement [MNR] and the Renewal and Victory Movement (MRV) hastily stated that they will not move to the opposition and that they will continue to support the ruling Blanco Party faction.

The position of the former Blanco Party coalition members will have its test of fire if the Broad Front confirms a threat some of its members have been calling for for quite a long time: to interpellate Economy Minister Ignacio de Posadas, who has become the "villain" of the movie.

The MNR and MRV have left the government because of the president's refusal to dismiss Posadas and change the salary policy. [passage omitted]

—No to War. After the split, MNR leader Carlos Julio Pereyra tried to reduce the impact of his withdrawal from government, stating that his decision does not mean "a declaration of war" to the nationalist administration.

"We can continue to fight for the national party to successfully overcome the challenge of conducting the destinies of the country, a task entrusted to the party by the people, with an action delivered from the legislative branch and from the executive branch," Pereyra said on Friday, 12 March.

Pereyra declined to mention the behavior his respective faction will assume should Posadas be interpellated, although MNR sources told BUSQUEDA that Pereyra is not enthusiastic about the idea of supporting that call for interpellation.

Being on the same line with Pereyra, Vice President of the Republic and MRV leader Gonzalo Aguirre said on Tuesday, 16 March, that "we are not moving to the opposition."

"We are still nationalists, and we will continue to support our government to the extent possible," he said. He added that "if there is an interpellation we are going to be on the side of the government and not against it."

But as Pereyra, he had reservations: "If an eventual interpellation is handled within the order of restricted disagreements as we have pointed out (salary policy), it will become a situation we must analyze."

"In politics we cannot say that we would never do such a thing, but because of our spiritual position, it would be very difficult for us to follow an interpellation of a national party minister," he said.

—Cautious Opposition. The main doubts about what will happen after the Blanco Party split were addressed to sectors other than the Blanco Party. Many believed that the opposition could see in Lacalle's solitude the green light needed to begin an antigovernment offensive, but the first signs are rather reassuring for the government members at Libertad Building.

A high-level Batlleist Forum source told BUSQUEDA that this faction by no means intends to "complicate things more than they are already" and added that they will not propitiate any interpellation in Congress.

That idea became clear on Friday, 12 March, through Senator Americo Rocaldoni, a follower of former President Julio Maria Sanguinetti: "We do not agree with the government guidelines but we are not going to become hostile when there are maximum difficulties."

Ricaldoni said that the Batlleist Forum has never interpellated a minister and added that "much less now are we thinking of changing our position."

Within the Broad Front, however, the "moderates," among them the main leaders of the Broad Front, are

rather prudent in their references to the government, but the "radicals" have launched an internal offensive to convince the coalition to interpellate Posadas.

Tabare Vazquez, Montevideo mayor and presidential precandidate for the coalition, told BUSQUEDA that "no political force is trying to destabilize the government." He added that the Broad Front wants the Executive Branch to "listen to the proposals of the other political forces." [passage omitted]

Moreover, the PIT-CNT [Interunion Workers Plenum-National Workers Convention] has reacted cautiously to the political situation.

Article Criticizes Blanco Factions for Leaving Government

PY2403224093

[Editorial Report] Montevideo BUSQUEDA in Spanish on 18 March on page 6 carries a 1,500-word article by Tomas Linn on the withdrawal from the government of the two Blanco factions: the Renewal and Victory Movement, led by Vice President Gonzalo Aguirre; and the National Rocha Movement, led by Carlos Julio Pereyra.

In his article, entitled "The Usual Political Practices," Linn criticizes both Pereyra and Aguirre for adopting contradictory positions and for engaging in some kind of "involuntary intellectual dishonesty as far as political practices are concerned."

Criticizing Aguirre, Linn says: "How can a vice president of the Republic decide to distance himself from the government? As the vice president, Aguirre is simply the government, and 'to distance himself' from it would mean to distance himself from himself, which would not make any sense."

Criticizing Pereyra, Linn says: "Carlos Julio Pereyra demanded that Economy and Finance Minister Ignacio de Posadas resign for his movement to continue in the government. Yet, now that the movement has withdrawn from the government, everyone is saying that it is not their objective to get a motion of censure against Posadas if he is interpellated by Congress. If the movement's intention was not to force Posadas' resignation through a congressional vote of censure, why then did it provoke a cabinet crisis with this demand if it is going to drop it later?"

After citing political experts who believe that "there is virtually no alternative that could be radically different from the government's economic policy," the article notes that even the Broad Front agrees that the debt must be paid and that negotiations must be conducted with our creditors.

Linn adds that there has been "intellectual dishonesty" because it is believed that "a maneuver that will ultimately leave the government on its own is justifiable if it will result in the political survival of a given sector."

The article adds that "the above Blanco factions were more closely linked to the government than they claim. Following the outcome of the referendum, they were frightened because they found themselves to be on the unpopular side."

After saying that the opposition should recognize the economic achievements of the Lacalle government, Linn adds that "it is annoying to see that many groups are publicly and openly criticizing the economic team while they are secretly hoping that everything remains unchanged."

Noting that Uruguayan voters viewed former Colorado presidential candidate Jorge Batlle as an extension of former President Julio Maria Sanguinetti, the commentator asks: "Why, then, should voters consider Aguirre and Pereyra to be separate and independent from the Lacalle government despite the fact that they were part of it, that they supported it, and above all, that they are also Blanco members?"

Linn concludes his article by stating that "attitudes like these will render the much desired constitutional reform unfeasible." He says that for a constitutional reform to succeed, everyone must agree to obey widely accepted rules and rule out crude election-oriented maneuvers.

* Demands of Ruling Blanco Party Factions Noted

93SM0172A Montevideo BUSQUEDA in Spanish 11 Feb 93 pp 3-4

[Text] President Luis A. Lacalle, determined to play his last card in order to reach 1994 with a united National Party [Blanco], proposed last week to the leaders of Renewal and Victory Movement (MRV), Gonzalo Aguirre, and of the National Rocha Movement (MNR), Carlos Julio Pereyra, a specific one-year agreement to close ranks within the government, Blanco sources told BUSQUEDA.

Aguirre and Pereyra believe, however, that the decision is up to the president, and they are weighing whether the concessions that the Herrerists are prepared to make, based on proposals made repeatedly by both sides, would justify a silence that would keep them aligned with the government until 1994, an election year.

If negotiations at the level of Blanco leadership fail, Lacalle is prepared to lead a totally Herrerist government, but would propose a "defensive alliance" to Aguirre and Pereyra that would permit the executive to withstand attacks from the opposition during its final two years of government.

Aguerrondo and the MNR.

Herrerist spokespersons said that Lacalle's position was more "flexible" with regard to the MNR, since the chief of state recognizes that this group represents his position, to a certain extent, within the government.

But the two principal demands that Pereyra made on Lacalle last week—salary increases for government workers and replacement of the minister of energy—were not granted by the chief of state. Lacalle said that it was not possible to replace Minister Ignacio de Posadas at this time, and that he would have to consult the economic team regarding any possible salary increase.

On Tuesday, 2 March, the president proposed an agreement to Pereyra, in his residence in Pocitos, that would permit the continuance for one year of a government with the participation of most of the National Party, and he tried to convince Pereyra that party fidelity would permit the MNR to improve its chances in the coming presidential contest.

Lacalle also expressed the view that it is not in the MNR's interest that the government complete its term of office with a poor record, causing a poor Herrerist turn-out in 1994. For the MNR to be able to win the elections, "what happened to (Mario) Aguerrondo in 1971 must not happen to me," said Lacalle, alluding to the votes obtained in that year's election by the Aguerrondo-Heber ticket.

Walter H. Pages, vice president of the Bank of Uruguay and economic adviser to the MNR, told BUSQUEDA that some 10 technicians—including himself and Mario Bucheli—prepared a document "of four or five points" on Monday, 8 March, that Pereyra would "politically edit" before sending it on to Lacalle.

Pages said that the document is a "synthesis" of positions formulated previously by the MNR and basically seeks changes in tax policy and incentives for the productive sectors.

The MNR adviser said that the document consists of "four streams": proposals for better distribution of social benefits, stimulation of the productive sectors, Mercosur [Common Market of the South], and labor reconversion.

Pages said that improved distribution of social benefits could be achieved "through salary increases for groups of economically depressed state employees," for example, teachers, police, and soldiers. He explained that it is necessary to give priority attention to depressed groups "in order to improve their lot and fit them into the productive process." The MNR calls for the inclusion of salary improvements in the increase planned for May (or in others to be authorized in 1993).

The vice president of the BROU [Bank of Uruguay] said that tax measures, adopted "by consensus" in Congress, were necessary in order to stimulate an increase in production.

Although he did not mention them specifically, the proposal is known to include a reimposition of the personal income tax (eliminated in 1974) and a reduction in taxes on the productive sectors, especially those related to agriculture-livestock. It also provides for incentives for exporters and improved controls to reduce tax evasion. (BUSQUEDA No. 674)

Pages said that the document generally supports the tax reform provisions proposed by ex-Minister of Livestock Alvaro Ramos. "If Ramos had been an MNR minister, he would have had stronger support in the government and would have had a more favorable environment in which to work," Pages said.

He also explained that the MNR is making proposals regarding Mercosur because "the concept is not being pursued effectively nor as one would wish," and he expressed his hope that the Ministry of Labor will take into consideration the initiatives of Deputy Matilde Rodriguez in the field of labor reconversion.

Demands on the MRV.

In order to reach agreement with the MRV, on the other hand, Lacalle made other demands. In his meeting with Lacalle in Suarez on Wednesday, 3 February, Aguirre had asked for freedom to criticize the government publicly, which the president denied.

Lacalle told Aguirre that if he wanted the Ministry of Livestock, Agriculture and Fisheries (MGAP)—headed until 31 January by Alvaro Ramos—for an MRV leader, he would have to cease his criticisms of the government.

Aguirre on that occasion gave Lacalle a document requesting financial support for the intendencies, salary increases, and plans for housing. Herrerist sources said that the document presents economic arguments in support of the requests.

Aguirre—BUSQUEDA learned—is willing to reach an agreement with the Herrerists, but has asked that the Blanco leadership be informed in advance of the more important government measures.

Within the government, special emphasis is being placed on reaching agreement with the MNR because it is believed that, if achieved, it would limit Aguirre's room for maneuver.

Furthermore, Herrerist spokespersons said that it is well-known that many MRV leaders are opposed to distancing themselves from the Herrerists, and that a decision to do so would cause a split in the group led by Aguirre.

Nevertheless, persons close to Aguirre said that if Lacalle fails to reply satisfactorily to the MRV's proposals, the vice president will meet with his group and will propose that it take its distance from the executive "even if this were to provoke a split in the movement."

Herrerist Strategy.

According to those close to him, Lacalle has complained about the attitude adopted by his Blanco partners who, instead of trying to capitalize on the January salary increases and benefits, try to emphasize their dissidence.

The president is not inclined to remove de Posadas for the time being, despite the fact that the minister himself had offered to step down in order to facilitate an agreement, and names of possible replacements were even being circulated at Blanco headquarters.

Nevertheless, Lacalle said recently, during meetings with congressmen supporting him, that "some candidates (from the government list) are due to leave." Sources agreed that this list is headed by Undersecretary of Economy Gustavo Licandro.

Although Lacalle has not yet resigned himself to losing the support of the MNR and the MRV, the president has begun to look ahead to the possibility of a completely Herrerist government. Eduardo Ache, the minister of industry and energy, has quietly made known that his group, the Colorado and Batllista Union, would leave the cabinet if it were to remain the Herrerists' sole ally in the government.

Official sources said that if the MNR and the MRV leave the cabinet, the government will seek a "defensive alliance" with them in order to prevent harassment by the opposition in Congress.

Polls Demonstrate Voters' Preference for Colorado Party

PY2503021993

[Editorial Report] Montevideo BUSQUEDA in Spanish in its 18 March edition carries on page 13 a 400-word unattributed article stating that two polls recently conducted in larger urban areas demonstrate that the Colorado Party is preferred by a majority of voters.

One of the polls was conducted by Equipos Consultores among 972 people in Montevideo and in 12 other cities between 20 and 27 February. It shows that 34 percent of the public favors the Colorado Party, 22 percent the Broad Front, 17 percent the National Party, and 6 percent the New Space. Former President Julio Maria Sanguinetti was supported by 72 percent of Colorado sympathizers, while Senator Carlos Julio Pereyra obtained 35 percent of the support from National Party sympathizers.

This same polls reveals that the Broad Front leads in Montevideo with 33 percent of the preferences against 23 percent for the Colorado Party.

Another poll carried out by Gonzalez, Raga, and Associates among 1,258 citizens in Montevideo and major interior cities during the second week of February shows that 33 percent of the public favors the Colorado Party, 23 percent the Broad Front, 13 percent the National Party, and 5 percent the New Space. According to this poll, Sanguinetti also is ahead of the other Colorado politicians, and Senator Carlos Julio Pereyra is ahead in the National Party. The Broad Front also runs ahead of the Colorado Party with 32 percent of support in Montevideo.

MNR Said 'Free' To Dispute Majority With Herreraist Faction

PY2403231093 Montevideo BUSQUEDA in Spanish 18 Mar 93 p 7

[Text] The crisis that last week destroyed the unity of the ruling national party has left the National Rocha Movement (MNR) free to strongly promote the idea of creating a new nationalist trend capable of disputing the party majority with the Herreraist (H) faction in the 1994 elections, as was done more than 30 years ago by the Blanco Democratic Union (UBD).

The idea of a new Blanco Party force having the MNR as its main pillar has been maturing within the MNR for more than a year, and now it seems to have regained force. "The positions and behavior of Senator Pereyra have surpassed the limits of the party itself, and the MNR would be too selfish to try to keep him within a sector," former transport minister and current Senator Wilson Elso Goni said on Wednesday, 3 March, in Paysandu. Goni is considered the number two of that sector.

Two days earlier, President Luis Alberto Lacalle displayed the other side of the coin at the official Suarez residence during a meeting with Herreraist congressmen. Lacalle considered it essential for the National Party to participate in the 1994 elections with two solid blocks, one of which will be made up of the Herreraist sector. Lacalle said that if there is no internal competition, the Blanco Party will have very little electoral chances.

This week Elso Goni told BUSQUEDA that on leaving Lacalle's government, the MNR "is free" and it "breathes calmly." He added that for the next elections "there will be two large factions within the Blanco Party: one made up of those who are with Lacalle, and the other by those who are against him.

"Without ruling out the possibility of a third option, we are hoping that we who oppose (the Herreraist faction), especially its economic policy, will vote together," he said.

The intention of the Rocha Movement leaders is to organize a force with power similar to that of the UBD, which in 1956 was created to face within the national party the Herrero-ruralist alliance. The UBD won the 1962 elections.

But the similarities intended by the MNR are limited to the strength of and the opposition to the Herreraist sector, because Pereyra aspires to give to the new trend an ideological sign different from that of the UBD, which defended quidelines of the liberal economic system.

The aspiration of the Rocha Movement leaders so far has received the support of Deputy Juan Raul Ferreira (PLP) [For the Fatherland]; it has "the affection" of former government adviser and current director of the newspaper EL PAIS, Washington Beltran and is looked at as

a "possible alternative" by several Blanco Party mayors from the interior who do not belong to the Herreraist faction.

The Rocha Movement leaders do not rule out the possibility that in the future "Herreraist leders who are dissatisfied with the government policy can join them, together with the Progressive Center." They warned, however, that if such a thing happens, it will be "on the voluntary basis" by those seeking a rapprochement. "We are not going to rob leaders," they stated.

Senator Alberto Zumaran, one of the main leaders of the Progressive Center, told BUSQUEDA that "obviously it is never believable for public opinion to say that a movement different from the Herreraist sector was created when the Center was part of the government for three years."

Rocha Movement sources warned, however, that in the future the Progressive Center "can lose some posts to the extent that the MNR increases its differences with the Herreraist sector. We should have had some benefit only if we had remained within the government."

New Livestock, Agriculture, Fishing Minister Installed

PY2503022693

[Editorial Report] Montevideo LA MANANA in Spanish on 16 March carries on page 6 a 350-word unattributed article reporting that Pedro Saravia will be installed on 16 March as minister of livestock, agriculture, and fishing. The article states that he accepted the post on a personal basis and not as a representative of the Renewal and Victory Movement, which is a Blanco faction.

Government's Handling of Strikes Criticized

PY2403173593 Montevideo BUSQUEDA in Spanish 18 Mar 93 p 4

[Article by Daniel Gianelli: "Open Door"]

[Excerpts] During the television program "Live," economist Luis Mosca last week brought up a particularly serious fact that was apparently overlooked by most people: The government has violated constitutional provisions—and Congress is equally responsible for these violations—in resolving conflicts stemming from inappropriate salary demands made by labor organizations of the public sector. [passage omitted]

Mosca, a former under secretary for economy and finance, stated that the government has in recent months violated the Constitution to resolve complex social and political situations such as the police conflict and the current nonuniversity teachers problem.

Early in November, thousands of policemen went on strike and hundreds of them camped outside the Coraceros headquarters. The strikers thus forced the Executive Branch to submit a draft law to Congress granting increases to military and police personnel in addition to the ones that granted to them a week earlier through the approval of the budget report law. Pressured by the strikers ultimatum, Congress passed the law virtually without discussing it.

Predictably, other sectors that are capable of influencing public opinion and of exerting heavy pressure on the Executive Branch realized that the police strike had opened the door for them.

Elementary teachers first and later high school teachers and professors of the Labor University of Uruguay followed suit. Warning that they would not start classes on 1 March if their demands were not met, the teachers also obtained salary increases that went beyond those approved by the budget report law. As is known, teachers and administrative employees went on strike last week because they considered the government's offer inadequate.

University professors and administrative employees later followed suit. [passage omitted]

Public health workers have just voted in favor of refusing to report to work if their salary demands are not met. Public Health Minister Garcia Costa has said that the government plans to grant salary increases that would benefit employees in lower grades.

It was the police strike that opened the door, but it should not be forgotten that a few months earlier the judges threatened to go on strike and court employees did go on strike, thus showing that it was possible to exact positive answers from a government that was engaged in a political battle to have the law on public enterprises confirmed by the 13 December referendum.

All this shows that the government has mismanaged these situations because, in the first place, it committed the particularly serious mistake of violating the Constitution, despite the fact that its actions may have been prompted by the understandable desire to resolve delicate problems like the police strike and the postponement of the start of the school year. By committing these violations, the government has lost moral authority to demand that others strictly comply with legal and constitutional provisions. [passage omitted]

Military Official Delayed at U.S. Airport

PY2503023893 Madrid EFE in Spanish 1709 GMT 24 Mar 93

[Text] Montevideo, 24 Mar (EFE)—The Montevideo newspaper EL DIA today reported that the Uruguayan Government is annoyed with U.S. officials over the

delay at the Miami airport of a military official, a member of Uruguayan President Luis Alberto Lacalle's entourage.

The Uruguayan head of state left Montevideo on 20 March on a regular flight and made a one-day stopover in Miami before flying to Mexico, where he will stay until 26 March.

While the presidential entourage was preparing to leave the U.S. airport, Uruguayan Colonel Rodolfo Diaz was detained when passing through a security checkpoint. This prevented him from boarding the airplane that was carrying the rest of the group while security agents seized his service weapon.

EL DIA reports: "The military official wore his uniform and it was logical to assume that he was armed. Until the diplomatic negotiations conducted at the airport succeeded, however, Diaz was virtually held under arrest for hours and was unaable to board the airplane with the presidential entourage."

The newspaper adds: "The situation caused profound annoyance to Uruguayan authorities, especially taking into account that, before departing from Montevideo, reports were issued, supplying the names of the members of the entourage who would be carrying weapons."

Over the next few days, the Uruguayan Government will exhaustively review the incident, which is being described as out of place and at odds with the traditional relations of friendship and reciprocity, and a formal protest might be lodged with President Bill Clinton's administration.

The Uruguayan Army, Navy, and Air Force commanders in chief, their respective aides, and the military household chief make up the Uruguayan president's official delegation that traveled to Mexico with a stopover in the United States.

Venezuela

Radio Broadcasters Support Perez Against 'Wave of Rumors'

PA2403220093 Caracas Venezolana de Television Network in Spanish 2350 GMT 23 Mar 93

[Text] The Venezuelan Chamber of the Radio Broadcasting Industry offered solidarity and support to the executive branch in its struggle against the wave of rumors that has swept Venezuela in the past few weeks.

This reiteration of support took place at a luncheon with President Carlos Andres Perez. The guests stressed the negative effect of the rumors on the country's economic and political life. Such rumors have spread from the political scene and now are intended to affect the economic and financial sectors.

[Begin recording] [Broadcasting Chamber President Marietta Hernandez, in progress] ...now, when there are forces interested in destabilizing the system. It is curious how the rumors have changed in just the past week. Now the financial system has come under attack, which is a very organized way of destabilizing the whole national banking system. I do believe the media now know how to differentiate between what should be broadcast as a news item and what is a false items. I believe the rumors are running out of steam on their own after we repeatedly confirmed that they are untrue. That has a positive effect.

[Fernando Martinez Mottola, transportation and communications minister] Having failed to cause disruptions and not receiving any support from the community, they [not further identified] now intend to alarm the country and cause economic unrest with ridiculous rumors of currency exchange control measures or banks being closed. Each of those rumors has run out of steam on its own when we were able to verify that they were all lies aimed at creating anguish in the country, and which now attempt to affect the economic sectors. [end recording]

* AD Study Said To Warn of Party's Decline

93SM0178A Caracas EL NACIONAL in Spanish 13 Feb 93 p D1

[Report by Rafael Nunez]

[Text] The political leaders of Democratic Action (AD) were given fair warning of the decline in the number of votes cast for the party just before 6 December, as the campaign was in full swing, according to a confidential report issued by the Political Activism Division of the party.

The report states in general terms that "AD has exhausted its historic possibilities."

The document, titled "Preliminary Report on Voting Trends for AD (Small Votes) in National Elections," indicates that the ruling party "appears to be stagnant today, or even worse, in a clear state of decline."

According to the report, a superficial study of the results obtained by the party in six of the seven elections held since democracy was restored reveals the truth of this assertion.

It adds that this situation is even more disturbing and alarming in light of the municipal election data provided by the Statistical Office of the Supreme Electoral Council.

In any event, the analysis took as a benchmark the votes won by AD in the 1958 elections, 49 percent of the total, and compared that figure with the totals for every democratic election held since then. It reached the following conclusions:

- First, in no case has the party maintained (to say nothing of increasing) the benchmark level. On the two occasions when the absolute figures suggested that we won more votes than in the previous election

(1973: 44 percent, compared to 32.7 percent in 1968; 1983: 49.9 percent, compared to 39.71 percent in 1978), the apparent advantage in the absolute figures translates into a real decline of 16.8 percent and 10.2 percent, respectively, when the variable of voting population growth is taken into consideration.

The explanation for the above assertion is that these percentages were attained in 1973 and 1983 because of the phenomena of Perez and Lusinchi, but when a comparison is made between the population of 1959 and that of recent years, AD has not made any substantial gains.

Secondly, with the exception of areas like the Federal District, this increase has been caused—only in part—by highly favorable temporary circumstances, such as "the failure of the previous government" and the "coattail effect" of a successful candidate.

A third factor, perhaps the most alarming one for AD, is the steady decline in the vote for AD in the revised figures at the district level, which also confirms that there is no sign of an upturn for the party in the foreseeable future.

Specifically, the statistics reveal that nearly all the results obtained by AD between 1958 and 1988, in the 211 districts chosen as samples for the survey, show clear signs of negative growth.

And where there has been positive growth, it has been insignificant. The possibility that it could have a major impact on the overall results in each state and in the country as a whole is offset by the tremendous disparity between positive and negative figures.

Dangerous Stagnation

The authors of the document indicate that an aggravating factor is that a large number of AD leaders and activists, while they understand what the party is going through and have expressed their concern, "do not appear to grasp the disastrous consequences that this decline could have for the democratic system, for the party, and for the country."

One aspect that the report discusses in detail is a sociological law that is affecting AD and affects all institutions and social and political structures that have exhausted their historic possibilities: They gradually lose touch with society, and the bonds that link them to the surroundings in which they operate become progressively weaker.

In this section, the report notes that the ties of internal solidarity in AD are eroding and are losing their cohesive force, while "there is a marked tendency to overestimate the importance of the structure itself, in its formal and ritual aspects, without considering (or considering less and less) the fact that it is important and decisive as a political institution only to the extent that it maintains its social strength."

"This process of dissolution (which is fatal and irreversible, according to some experts on the subject) is already under way in Democratic Action, and if this trend toward stagnation and decline continues, predicting AD's disappearance as a decisive force in the political leadership of the country will no longer be merely an academic exercise for philosophers," emphasizes the report.

It states that to make final recommendations for the choice of AD candidates, it would be a good idea to look at the country's current image of an AD activist and compare it to the image that prevailed a few years ago.

According to the document produced by the Political Activism Division, AD members used to be known "for being smart," that is, astute and clever, able to deal with adversities, blessed with a great sense of timing, with great social sensitivity—in short, they were people you could trust.

Right now, it says, "The AD member of today is just a wise guy, someone who is always ready to take advantage of situations and people for his own ends, an unscrupulous person, someone who is already corrupt or who is moving in that direction."

* Admirals on Failure To Maintain Naval Fleet

93SM0176A Caracas EL NACIONAL in Spanish 14 Feb 93 p D6

[Report by Jesus Eduardo Brando]

[Text] The Navy has allowed the operational status of its missile-launching frigates to decline to the lowest level ever because of the irresponsible behavior of its commanders, who have neglected maintenance needs.

This assertion was made by Rear Admirals Hernan Gruber Odreman and Luis Cabrera Aguirre in a document mailed in December to the president of the Senate, Pedro Paris Montesinos, and his counterpart in the Chamber of Deputies, Luis Enrique Oberto. In the document, they list the irregularities that have allegedly occurred in purchase and maintenance contracts.

They point out that in countless cases, high-ranking officers have been prosecuted or irrefutable evidence has been gathered to show that they have engaged in acts of corruption, to the detriment of the best interests of the Republic and the ability of the Armed Forces to carry out their mission.

These attitudes, which violate military propriety, have seriously damaged the operational structure of the Armed Forces. In many cases, such damage has been hidden from political officials and from national public opinion. The following examples illustrate this assertion:

1. The Army's AMX-30 tanks were to be overhauled under a highly questionable contract that led to charges of corruption. Now they are practically useless and could not be used effectively in combat, because installing new

engines involved drilling holes in the chassis and resoldering them, thereby weakening their structure. Even someone who knows nothing about the resistance of materials can see that this entails a serious structural alteration, which translates into a high risk of fragility. What are the conclusions of the investigation? When will the names of the responsible parties be revealed, and what punishment will be meted out to them?

2. The operational status of the missile-launching frigates, whose purchase caused an international scandal over the payment of commissions, has been allowed to decline to the lowest level ever because of the irresponsible neglect of maintenance needs.

3. The Marines' LVTP-7 amphibious tanks are useless because of the High Naval Command's failure to maintain them. Who will answer for the minimum of $30 million that these tanks reportedly cost?

4. The "Urutu" vehicles were purchased against the advice of the Evaluating Commission, and when they were arbitrarily assigned to the Marines, they were ordered to be used as amphibious vehicles. That almost resulted in a tragedy when one of them sank with 12 men on board during the Caiman XVII amphibious operation. The men's lives were saved thanks to the precautions taken by the commander of the Landing Force. Where is the person responsible for the purchase of these vehicles, which threaten the lives of human military resources?

5. There are doubts about the propriety of the purchase of the torpedo-launching system for the Sabalo class submarines, considering that it has serious operational limitations that render it ineffective and unreliable in combat. The chief of the mission in Germany has repeatedly pointed out this irregularity. What has been done about it?

6. The Koreana Company, which built the Capana class transport ships, returned nearly $26 million to the Navy for failure to fulfill the clause of the contract referring to the mounting of guns. Where is that money, and where is the interest it accrued in the foreign bank where it was deposited? Where is the $2 million that the same company paid as a penalty for failure to meet delivery deadlines?

7. In the Air Force, illegal activities are going on involving high-ranking officers, in connection with million-dollar purchases of goods in the United States and Europe. This fact is known to the Office of the Inspector General of the Armed Forces. Prior to 27 November, what was the operational status of the combat and transport aircraft?

8. It is well known throughout the country that people who have been harmed by acts of corruption and irregularities committed by some members of the National Guard are filing complaints daily.

9. During the September 1992 inspection of the Armed Forces Office of Health, it was discovered that a fraud had been committed involving approximately 200 million bolivares that was supposed to be spent to improve the systems for providing health care to military personnel. Where are the perpetrators of that crime? Where is the money?

10. The military units on the border are suffering from serious deficiencies in their operations and their physical well-being, according to the results of the inspection conducted in November 1992. It is important to find out what happened to more than 1 billion bolivares allocated in the 1992 budget, and to discover the reason for the grave suffering of military troops in an area that is so vital to the security and defense of the Venezuelan state.

Because of the above and other reasons, it would be a very good idea to look into a military Investigation-Diagnosis Report that was written under the direction of Admiral Cabrera Aguirre. That report reflects the true discontent that prevails in the Armed Forces and points out that one of the reasons for this discontent is the corruption and untrustworthiness of the commanding officers.

Although more than 20 university professionals participated in drafting the report, and it had a high degree of credibility, according to the firm that organized it, it was tabled, perhaps because it did not contain the reassurances that were supposed to be given to the president and the politicians, that "everything is normal, nothing unusual to report."